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1989

# Operating Results of Independent Supermarkets

# OPERATING RESULTS

# OF

# INDEPENDENT SUPERMARKETS

## 1989

The Research Department

**Food Marketing Institute**
1750 K Street, NW
Washington, DC 20006

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by

**Food Marketing Institute (FMI)**

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The Food Marketing Institute (FMI) is a non-profit association conducting programs in research, education, and public affairs on behalf of 1,600 members--food retailers and wholesalers and their customers in the United States and around the world. FMI's domestic member companies operate approximately 19,000 retail food stores with a combined annual sales volume of $180 billion--more than half of all grocery sales in the United States. FMI's retail membership is composed of large multi-store chains, small regional firms and independent supermarkets. Its international membership includes more than 210 members from over 55 nations.

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# About This Report

The Food Marketing Institute *Operating Results of Independent Supermarkets, 1989* represents the most accurate and up-to-date comparative financial performance information available anywhere. This study is designed to serve as an easy-to-understand tool for independent supermarket retailers to evaluate their store's operating results in order to pinpoint strengths, weaknesses, and improvement opportunities. The overriding goal of this report is to provide information enabling independent supermarket operators to better manage their stores.

The detailed survey results which appear in this report include four store formats--conventional supermarkets, super stores, superette stores and warehouse stores (definitions located in the Appendix). Conventional supermarket operators data are provided for all stores as a group, by weekly sales volume, by selling space, geographical region and by the high and low profit performing retailers. Super stores data are provided for all stores, by weekly sales volume and high and low profit performing stores, while data for superette stores and warehouse stores include all stores as a group.

A variety of information is provided for each group including sales data; productivity measures relating to personnel, space utilization and inventory; percentage income statement; and departmental statistics.

In addition to the detailed industry comparative operating performance statistics, the report also features:

- A section highlighting the 1989 independent supermarket industry performance as it relates to the U.S. economy and comparing the four store formats on a variety of performance measures.
- Detailed explanatory information on how to best understand and use the financial data in this report.
- Ratio definitions and explanations which show exactly how each ratio is calculated and what it means using a hypothetical store.
- High profit versus low profit by store type.
- Information about the survey demographics and methodology.

Perhaps the most valuable feature of the *FMI Operating Results of Independent Supermarkets, 1989* is that **all** stores participating in the survey receive, **absolutely free**, an in-depth confidential Company Performance Report. This report presents a company's own confidential ratios and data alongside the appropriate industry comparatives. A representative page from a sample Company Performance Report for a hypothetical company is illustrated on the following page. In addition, all participants have the opportunity to purchase **ProfiTrak**, a user-friendly financial management software package. The FMI **ProfiTrak** is specifically designed for the independent supermarket retailer, and allows the retailer to monitor financial performance on an ongoing basis. Participants who order **ProfiTrak** receive the program already loaded with 1989's results. For more information on **ProfiTrak**, turn to the back page of this report.

1989 FMI INDEPENDENT OPERATORS SURVEY

COMPANY NO. SAMPLE

CONFIDENTIAL INDIVIDUAL STORE PERFORMANCE REPORT STORE SALES(AS REPORTED):$4,450,107

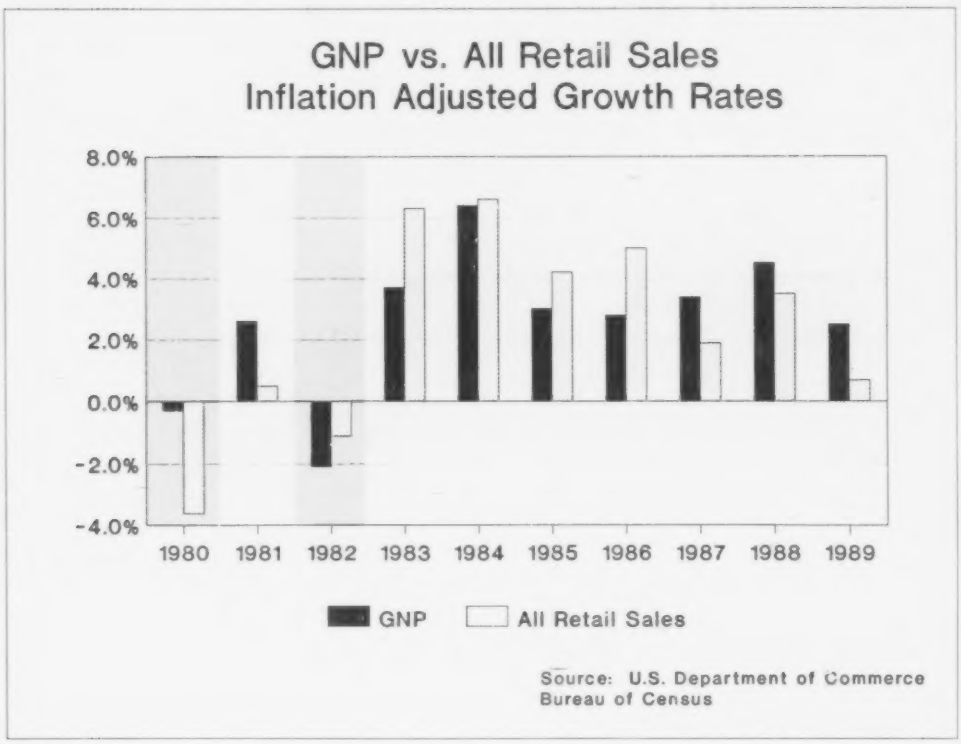
| | YOUR STORE | CONVENTIONAL ALL STORES | - NORTH CENTRAL | $70,000 TO $125,000 | HIGH PROFIT |
|---|---|---|---|---|---|
| **SALES DATA** | | | | | |
| Percent Change from Previous Year | 8.6 % | 5.0 | 3.8 | 5.1 | 6.8 |
| Average Transaction Size | $10.72 | 14.13 | 14.17 | 12.58 | 15.50 |
| Store Sales per Hour of Operation | $815 | 1,247 | 1,024 | 919 | 1,437 |
| DISTRIBUTION OF SALES: | | | | | |
| Grocery | 50.6 % | 52.8 | 51.2 | 55.2 | 51.4 |
| Meat | 19.7 % | 16.0 | 15.3 | 16.3 | 15.7 |
| Produce | 9.0 % | 8.3 | 8.0 | 7.1 | 9.0 |
| General Merchandise/HaBA | 6.1 % | 3.0 | 3.2 | 2.5 | 3.3 |
| Beer/Wine | 0.0 % | 1.3 | 1.1 | 1.4 | 1.4 |
| Service Deli | 1.1 % | 3.8 | 3.4 | 3.7 | 3.9 |
| Scratch/ Bake-Off Bakery | 1.6 % | 1.4 | 1.8 | 1.2 | 1.6 |
| Frozen Food | 4.2 % | 4.4 | 5.3 | 4.1 | 4.5 |
| Dairy | 7.3 % | 6.5 | 8.0 | 6.4 | 6.2 |
| Other | 0.5 % | 2.6 | 2.7 | 2.2 | 3.1 |
| Total | 100.0 % | 100.0 | 100.0 | 100.0 | 100.0 |
| **INCOME STATEMENT DATA** | | | | | |
| SALES: | | | | | |
| Grocery | 70.2 % | 71.9 | 73.3 | 72.9 | 71.5 |
| Meat | 20.8 % | 19.8 | 18.7 | 20.0 | 19.5 |
| Produce | 9.0 % | 8.3 | 8.0 | 7.1 | 9.0 |
| Total Sales | 100.0 % | 100.0 | 100.0 | 100.0 | 100.0 |
| GROSS MARGINS: | | | | | |
| Grocery | 19.6 % | 20.3 | 20.7 | 19.7 | 20.8 |
| Meat | 23.6 % | 24.8 | 24.1 | 23.9 | 26.0 |
| Produce | 31.0 % | 31.1 | 29.7 | 30.4 | 32.0 |
| Total Gross Margin | 21.4 % | 21.9 | 21.6 | 21.6 | 22.8 |
| OPERATING EXPENSES: | | | | | |
| Store Labor: | | | | | |
| Regular | 6.5 % | 8.8 | 8.8 | 9.2 | 8.6 |
| Benefits | 0.8 % | 1.5 | 1.3 | 1.4 | 1.6 |
| Total Store Labor Expense | 7.2 % | 10.3 | 9.9 | 10.6 | 10.0 |
| Advertising & Promotion | 2.0 % | 1.1 | 1.2 | 1.2 | 0.9 |
| Occupancy (Excluding Utilities) | 0.9 % | 1.6 | 1.4 | 1.5 | 1.6 |
| Utilities | 1.6 % | 1.2 | 1.1 | 1.3 | 1.1 |
| Maintenance | 0.7 % | 0.6 | 0.5 | 0.6 | 0.5 |
| Store Supplies | 0.9 % | 1.2 | 1.1 | 1.2 | 1.2 |
| Interest | 1.8 % | 0.3 | 0.2 | 0.3 | 0.3 |
| Other | 2.9 % | 3.1 | 3.7 | 2.6 | 2.7 |
| Total Operating Expenses | 17.9 % | 20.1 | 20.1 | 20.1 | 19.3 |
| Profit Before Tax | 3.5 % | 2.1 | 1.8 | 1.8 | 3.5 |

# Overview of Industry Performance

## THE ECONOMY

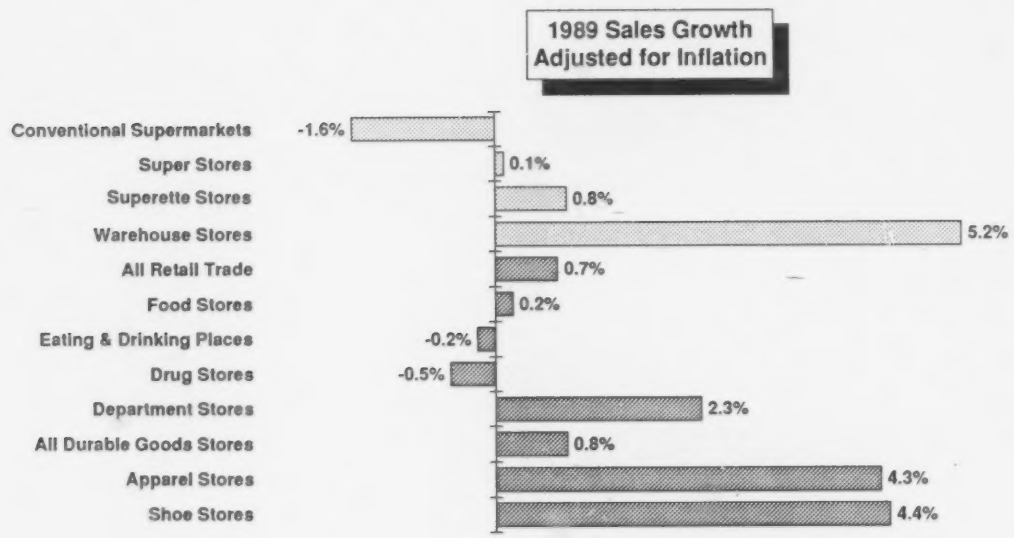
Nineteen eighty-nine at first appeared to be a transition year for the economy, as most economists predicted an end to seven years of prosperity. The prime rate reached 11.5% in 1989, housing starts fell by 114,000 units, and auto sales declined at an inflation-adjusted rate of -0.4%. Although the economy did not experience a recession in 1989, most industries suffered slower sales growth and less earnings than in previous years.

Total retail sales grew at an inflation-adjusted rate of 0.7% in 1989, a deceleration from 1988's growth of 3.5%. Real GNP grew at an inflation-adjusted rate of just 2.5%, a significant slowdown from 1988. The following graph charts the growth of real GNP and real retail sales over the last several years.



In reviewing retail sales by line of trade, we find that most retailers experienced slower rates of growth in 1989; some even experienced declines after making inflation adjustments. The accompanying chart highlights the inflation-adjusted increases for selected retail stores based on U.S. Census Bureau data, as well as the inflation-adjusted increases for independent supermarkets responding to this survey.

Presently, the U.S. economy appears to be in a precarious position. Given that inflation is on the rise (primarily due to higher oil prices) unemployment is slowly rising and the U.S. deficit keeps getting larger, the outlook for the next year ranges from uncertain to unfavorable.




Source: Operating Results of Independent Supermarkets, 1989 and U.S. Bureau of Census

## SALES PERFORMANCE

The fastest growing store format of those responding to this year's survey was the **warehouse store**, reporting a median 12.3% growth in sales. This growth was very strong when compared to the growth rates of other types of food stores. According to the U.S. Census Bureau, all food stores in general grew at a non-adjusted rate of 7.0%. **Superette stores** responding to the FMI survey reported a median sales increase of 7.6% while **super stores** reported sales growth of 6.9%. **Conventional supermarkets** reported the lowest sales increase at 5.0% before adjusting for inflation.

Looking at the growth of **conventional supermarkets** in more detail we find that those with smaller selling areas tended to report higher rates of sales growth (see next page). Growth rates among the regions of the United States differ, ranging from 3.7% in the Southeast to 8.6% in the West South Central region (see page 11 for region definitions).

**1989 Median Sales Growth By Store Format**

| All Responding Stores | |
|---|---|
| Conventional Supermarkets | 5.0% |
| Super Stores | 6.9 |
| Superette Stores | 7.6 |
| Warehouse Stores | 12.3 |

| 1989 Median Sales Growth By Selected Breakdowns | |
|---|---|
| **Conventional Supermarkets** | |
| Weekly Sales Under $70,000 | 4.3% |
| Weekly Sales $70,000 to $125,000 | 5.1 |
| Weekly Sales Over $125,000 | 4.8 |
| Most Profitable* | 6.8% |
| Least Profitable+ | 3.9 |
| Less Than 10,000 Sq. Ft. of Selling Area | 6.9% |
| 10,000 to 12,499 Sq. Ft. of Selling Area | 5.2 |
| 12,500 to 17,000 Sq. Ft. of Selling Area | 4.8 |
| Over 17,000 Sq. Ft. of Selling Area | 4.3 |
| Northeast | 6.2% |
| Middle Atlantic | 5.0 |
| North Central | 3.8 |
| Mid South | 6.4 |
| Southeast | 3.7 |
| West South Central | 8.6 |
| Mountain | 5.4 |
| Pacific | 6.7 |
| Weekly Sales Under $325,000 | 5.3% |
| Weekly Sales Over $325,000 | 11.1 |
| Most Profitable* | 5.7% |
| Least Profitable+ | 7.9 |

*Most profitable in this report means the upper 50 percent of responding stores on net profit before tax as a percent of net sales.

+Least profitable in this report means the lower 50 percent of responding stores on net profit before tax as a percent of net sales.

## PRODUCTIVITY PERFORMANCE

For independent supermarket retailers, the productivity of the store's various "inputs" is critical in determining the profitability of the operation. By measuring the productivity of different resources, independent store operators may gain valuable insights into both the strengths and weaknesses of current operations. Productivity measures may include: how effectively store space is being utilized (reflected in a sales per square foot measure); how many dollars are generated per labor hour; or how effective the existing merchandising programs are, (measured by inventory turnover).

This report provides a number of key productivity measures which can be used as benchmarks for analyzing your own store's efficiency relative to that of industry standards. In particular, measures are provided which evaluate the important

areas of inventory, space and personnel productivity. The table on the following page summarizes these productivity measures.

**Inventory Productivity**

For any given independent food retailer, inventory management is one of the most important operating components of the business. It stands to reason, therefore, that in order to be successful as an independent food retailer, one must stock an appropriate mix of products, develop effective purchasing and pricing policies, and develop effective display and promotional procedures.

Essentially, the most productive inventory management practices are those that effectively combine considerations of both gross profit percentage (i.e., the profitability component of inventory management), and inventory turnover (i.e., the item movement component of inventory management). Together, these measures affect gross margin return on inventory (GMROI), which is the best overall measure of inventory productivity.

As the following chart illustrates, the typical conventional supermarket retailer had a gross margin of 22.5% with an inventory turnover of 17.4x and a GMROI of 486.1%. Super stores achieved the best GMROI (609.0%) due to both a strong gross margin (22.4%) and a strong inventory turnover (18.7x). Superette stores had the lowest GMROI at 333.1%.

**Space Productivity**

The primary measures of space productivity for food retailers are sales and gross profit dollars generated per square foot of selling area. Since many occupancy related expenses (such as rent, utilities, maintenance, etc.) are relatively fixed (or at least do not fluctuate greatly with sales volume), a key to greater profitability is to generate more sales and gross profit from the existing facility. In other words, once fixed costs are covered, every incremental dollar in sales and gross profit that is generated will yield a disproportionate increase in bottom line profits.

The typical warehouse store retailer achieved the highest weekly sales per square foot of selling area in 1989 of $9.45. Superette stores reported the lowest weekly sales per square foot of selling area at $7.30. Super stores earned the highest gross margin per square foot of selling area at $1.98 while superette stores earned only $0.95 of gross margin per square foot of selling area.

**Personnel Productivity**

Payroll expenses are typically the single largest operating expense for food retailers and therefore, it is critical to effectively manage this resource. Net sales per labor hour were highest for the typical warehouse operator respondent, reporting $108.29, while also reporting the lowest store labor expense at 7.5% of net sales. The highest labor costs as a percentage of sales was recorded by super stores at over 12% of sales.

## Productivity

| | Inventory Productivity | | | Space Productivity | | Personnel Productivity | |
|---|---|---|---|---|---|---|---|
| | Gross Margin (%) | Inventory Turnover (x) | GMROI* (%) | Weekly Sales/Sq. Ft. Selling Area ($) | Weekly Gross Margin/Sq.Ft. Selling Area ($) | Net Sales per Labor Hour ($) | Store Labor Expense % of Sales (%) |
| Conventional Supermarkets | 22.5 | 17.4 | 486.1 | 9.06 | 1.96 | 81.60 | 10.7 |
| Super Stores | 22.4 | 18.7 | 609.0 | 8.67 | 1.98 | 78.25 | 10.8 |
| Superette Stores | 23.5 | 10.4 | 333.1 | 7.30 | 0.95 | 51.35 | 12.7 |
| Warehouse Stores | 17.6 | 22.4 | 461.0 | 9.45 | 1.65 | 108.29 | 7.5 |

*Gross Margin Return on Inventory

## STORE FORMAT HIGHLIGHTS

Four store formats, or types, are presented in this report and each respondent is an independent food retailer. The chart on the next page highlights some of the typical differences such as sales volume, square footage, and profitability. The highlights include:

- Conventional supermarkets had the highest profit before tax as a percent of sales of 2.1% while superette stores earned only 0.2%.
- The typical weekly sales per store was highest for super stores, reporting over $300,000 per week with an average transaction size of $17.30. Superette stores reported nearly $30,000 of sales per week and an average transaction size of $8.55. Warehouse stores, earning nearly $300,000 per week in sales, reported the highest average transaction of $21.37.
- The typical number of checkouts ranged from three for superettes to 11 for super stores.
- Approximately 70-80% of the total store area is selling space.

| Statistical Highlights | | | | | | |
|---|---|---|---|---|---|---|
| | Net Profit Margin Before Tax (%) | Average Weekly Sales/Store ($) | Average Transaction Size ($) | Total Store Area (Sq. Ft.) | Total Selling Area (Sq. Ft.) | Number of Checkouts (#) |
| Conventional Supermarkets | 2.1 | 125,471 | 14.13 | 18,600 | 14,500 | 6 |
| Super Stores | 1.8 | 301,921 | 17.30 | 43,500 | 31,998 | 11 |
| Superette Stores | 0.2 | 29,730 | 8.55 | 4,625 | 3,250 | 3 |
| Warehouse Stores | 1.5 | 283,222 | 21.37 | 38,250 | 27,700 | 9 |

# How to Use This Report

## STEP-BY-STEP APPROACH

The *FMI Operating Results of Independent Supermarkets, 1989* is designed to help independent supermarket retailers in evaluating their own performance relative to that of similar stores in order to identify improvement opportunities. The information in this report represents broad performance "yardsticks" against which performance can be measured.

Using this information, independent supermarket operators can compare their own figures with those of other independent food retailers operating a similar store format on a variety of "groupings." Spotting significant differences between your own store's performance and the industry composites can be the first step toward improving performance. It should be noted, however, that deviations from industry norms do not automatically call for some action.

In order to obtain maximum advantage from the information contained in this report while at the same time minimizing your analysis time and effort, we recommend you follow the step-by-step approach outlined below.

### Step 1: Collect the Necessary Operating Data

The first step in using this report is to gather all your financial and operating results for your 1989 fiscal year. Most of the needed data can be obtained from your store's income statement and extracted from other sources, such as personnel files.

### Step 2: Calculate the Ratios

The second step is to compute all of the various performance measures for your store that are included in this report using the data gathered in Step 1. **It is extremely important to calculate these ratios using the same formulas which were used to produce the ratios in this report.** These formulas, along with sample calculations of each measure, appear in the section of this report entitled, "Ratio Definitions and Sample Calculations," located in the Appendix.

FMI members which participated in the survey received, **absolutely free,** a confidential computer printout of their own store's financial ratios calculated and formatted in a manner that is consistent with the information in this report. Thus, for those stores, Step 2 has already been completed for them in an accurate, time saving manner. Participants also had the opportunity to purchase a software package containing their results. Stores that did not participate in the 1990 survey should strongly consider doing so in the future.

### Step 3: Compare the Results

Next, compare your store's performance with the survey results of other stores of your format in the industry. As you do so, several points should be recognized:

1. A deviation between your figures (for any performance measure) and numbers in the report is not necessarily good or bad. It merely indicates that additional analysis may be required. As a rule, the larger the difference, the greater the need for further investigation.

2. In situations where large deviations do exist, it may be helpful to calculate the same performance measure over the past several years to identify any trends that may have occurred.

3. The information in this report should be used as **guidelines** rather than absolute **standards**. Since independent supermarket operators differ as to their overall strategy, location, size, and other factors, any two outlets can be successful, yet have very different experiences relative to certain performance measures.

## UNDERSTANDING THE DATA

In order to use the information in this report to maximum advantage, it is important to understand **what the numbers mean** and **how to interpret them.**

### How the Tables are Organized

The tables in this report are organized to include a number of important financial ratios for each relevant "grouping" of similar independent supermarket operators. In particular, the four major category formats include conventional supermarkets, super stores, superette stores and warehouse stores.

**Conventional Supermarket** "groupings" include:

- **All Responding Conventional Stores**--Refers to the results of all conventional supermarket operator members responding to the survey. Although differences obviously exist among stores even of the same sales volume or geographic area, it is felt that there are enough similarities to make a total population of "all responding stores" analysis valuable.

- **By Geographical Area**--Many performance indicators will also vary depending upon the area of the country. Thus, the analysis also includes regional data, broken into geographic areas based on the following eight regions:

**Northeast**
Connecticut
Maine
Massachusetts
New Hampshire
Rhode Island
Vermont
Price Edward Is. (Canada)
Nova Scotia (Canada)
Newfoundland (Canada)
New Brunswick (Canada)

**Middle Atlantic**
New Jersey
New York
Pennsylvania
Quebec (Canada)

**Mid South**
Delaware
District of Columbia
Kentucky
Maryland
Virginia
West Virginia

**Southeast**
Alabama
Florida
Georgia
Mississippi
North Carolina
Puerto Rico
South Carolina
Tennessee

**North Central**
Illinois
Indiana
Iowa
Kansas
Michigan
Minnesota
Missouri
Nebraska
North Dakota
Ohio
South Dakota
Wisconsin
Manitoba (Canada)
Ontario (Canada)

**West South Central**
Arkansas
Louisiana
Oklahoma
Texas

**Mountain**
Arizona
Colorado
Idaho
Montana
Nevada
New Mexico
Utah
Wyoming
Alberta (Canada)
Saskatchewan (Canada)

**Pacific**
Alaska
California
Hawaii
Oregon
Washington
British Columbia (Canada)

- **By Store's Weekly Sales Volume Size**--There are often substantial differences in the operation of smaller versus larger supermarkets. Thus, the survey data is separated into various groups by establishment size to make it more meaningful. Normally, any given store operator should be primarily concerned with the data in their own sales volume group.
  - Under $70,000
  - $70,000 to $125,000
  - Over $125,000

- **By Profit Performance**
  - **Least Profitable Stores**--refers to the lower 50 percent of responding stores on **net profit before tax as a percent of net sales.**
  - **Most Profitable Store**--refers to the upper 50 percent of responding stores on **net profit before tax as a percent of net sales.**

- **By Store Selling Area**--refers to that part of the store that is accessible to customers.
  - Under 10,000 square feet
  - 10,000-12,499 square feet
  - 12,500-16,999 square feet
  - 17,000 square feet and over

**Super Stores** "groupings" include:

- **All Responding Super Stores**

- **By Weekly Sales Volume**
  - $325,000 and under
  - Over $325,000

- **By Profit Performance**
  - Least profitable
  - Most profitable

**Superette Stores** "groupings" include:

- **All Responding Superette Stores**

**Warehouse Stores** "groupings" include:

- **All Responding Stores**

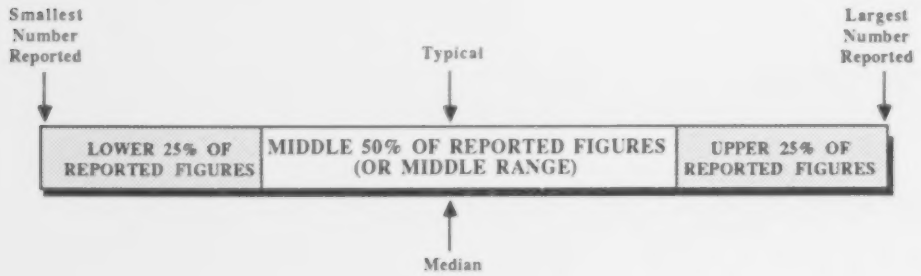
You should determine which of the above data groups pertain to your operation so that you can compare your own store's results to those comparable to your own. **You should only be concerned with those sections of the report that are relevant to your store.**

**Interpreting the Numbers**

Most of the performance indicators included in this study are reported on the basis of medians rather than arithmetical averages or means. Unlike the mean, the median is not distorted by a few unusually high or low values that may exist in the sample due to special circumstances. The "median" figure represents the mid-point of the figures for a particular measure, with one-half of the responding stores reporting figures above it and one-half below. Each median was

independently selected from its own array of figures. As a result, **component figures of an item may not necessarily total 100 percent and normal mathematical relationships do not always exist.**

Also included for most of the performance indicators is the "Middle Range." This represents the experience of the middle 50 percent of all stores in the data grouping when items are arranged numerically from lowest to highest. In other words, the upper and lower limits on the "Middle Range" are simply the upper and lower quartiles respectively for that ratio.




Further insights into how to use this report are included in the Appendix in the section entitled: "Ratio Definitions and Sample Calculations." An important point to keep in mind when using this report is that even relatively simple analysis of your own financials using the industry data for comparison can yield important insights into your business. You do not have to be a financial expert to benefit from this information.

## USING RATIOS

While it is extremely important to analyze financial information in dollars and cents, it is essential that percentages and ratios be used if the data is to be compared to past performance or to industry standards. For example, it is necessary to know your annual payroll expense, but it is even more essential to compare this expenditure with the value it produces. A useful measure of **effectiveness** of payroll expense may be the sales volume generated by it. Therefore, a ratio such as payroll expense as a percent of sales can be useful in determining how efficiently your store uses its payroll dollars over time or compared with other independent supermarket operators in general.

In addition, just as dollar figures are not too meaningful by themselves, ratios should not be used in isolation. In combination they can give an extremely accurate overall picture of **financial performance** and **financial position**. Financial performance refers to how well a store performs over a period of time (generally one year) and financial position refers to financial strength at a given point in time.

## KEY PRODUCTIVITY PERFORMANCE ANALYSIS

### Productivity

Productivity is simply the **output produced** compared with **input expended.** As a rule, the more output produced per hour worked, employee, dollar investment or whatever the input, the more profitable an operation can be. Supermarket operators need to always strive to improve their productivity, especially in the principal areas of inventory, personnel and space. But in order to improve productivity, you first have to measure it.

**Personnel productivity** can be measured in numerous ways. The easiest and most commonly used methods are:

- **Net sales per labor hour**--good overall measure but subject to distortion by inflation.
- **Total gross margin per labor hour**--also a good overall measure, but also distorted by inflation.
- **Payroll as a percent of net sales (or gross margin)**--complements the previous measures by adding the dimension of compensation levels instead of just labor hours. **Not** distorted by inflation.

**Inventory productivity** is best measured by **inventory turnover**, defined as cost of goods sold divided by either ending or average inventory. This ratio shows how rapidly inventory is moving. Inventory turnover is expressed in "annual turns."

However, there is more than just a productivity dimension to inventory; there is a profitability aspect as well. Consider the following example:

- Store A has inventory turnover of 8 times and Store B achieves only 6 turns. Does Store A have higher inventory productivity than Store B? The answer is yes, but Store A may not have more inventory **profitability**. The reason is because inventory profitability depends on both turnover and gross profit.

A good measure of inventory profitability is **gross margin return on inventory** (GMROI). It is calculated by dividing gross margin by average inventory. GMROI will indicate whether an adequate gross profit is being earned compared to the investment in inventory required to generate those gross profit dollars. The ratio can be applied at the company level, but is probably most useful when applied to individual product categories (departmental statistics).

**Space Productivity** is usually measured by relating sales or gross margin per store or per square footage of selling space. By comparing your own operation versus other stores on this basis, you should be able to determine whether or not you are achieving the kind of volume necessary to support your space investment. However, if your market focus includes a significant amount of business with big quantity purchasers (such as institutions), then your space productivity measures are likely to be higher than those experienced by other stores.

## IMPROVING PERFORMANCE BASED ON ANALYSIS OF THE KEY PRODUCTIVITY MEASURES

It is very important to remember that while the key performance measures are excellent "yardsticks" for gauging the success of your business, they must be **understood**. For instance, if the profitability of your store is far below the industry norm, it is important to know why. Is your business really suffering or is your profitability artificially low because you are paying yourself a high salary? Taking this into consideration, you are now prepared to examine some of the key performance measures and some possible actions that can be taken if you deviate significantly from the industry average. (The following are only examples of action and possible reasons and should not be considered specific recommendations.)

**Productivity**

Personnel Productivity

| | |
|---|---|
| Low | Low personnel productivity during normal business conditions may indicate the business is too "people heavy." This may also simply reflect a high level of service departments. |
| High | No problem as a rule. May be artificially high if many functions are performed by outsiders not on the payroll. |

Inventory Productivity

| | |
|---|---|
| Low | Probably indicates you either have too many dollars tied up in inventory relative to the sales volume achieved or you are not earning enough gross margin dollars relative to sales. These problems can indicate potential merchandise buying or pricing inefficiencies or possibly competitive pressure. |
| High | May be a good situation. Indicates you are achieving a good combination of inventory productivity (i.e., inventory turnover) and inventory profitability (i.e., gross margin percent). However, care must be taken to avoid out-of-stocks. |

Space Productivity

| | |
|---|---|
| Low | Indicates you either have excess space relative to the volume being generated, or that you simply need to generate more sales volume out of your existing space. This might be done through a greater emphasis on "add-on item" selling, or simply through a more effective job of turning customer traffic into sales. |
| High | Usually means you are doing a good job of "pushing products out the door," but may also reflect a somewhat different market focus or pricing strategy than other stores in the industry. |

# Conventional Supermarkets

# Overview of Performance--Conventional Stores

## SALES DATA

The typical independent conventional supermarket saw a 5.0% increase in sales in 1989. Sales per hour of operation was $1,247 with an average transaction size of $14.13. The average weekly sales per store was $125,471.

Average sales per week was highest in the Middle Atlantic region, the typical store earning $216,416 per week. The Southeast region reported the lowest sales per week at $91,233. The Middle Atlantic region also had the highest transaction size of $17.61 and the highest sales per labor hour of $101.92.

As expected, those stores with larger sales volumes tend to have greater amounts of store space than those with smaller sales volumes. Transaction sizes also seem to be correlated with sales volume; the higher the sales volume the higher the transaction size.

## SPACE DATA

The median store area for a conventional supermarket was 18,600 square feet with 76% of the store space devoted to selling area. Weekly sales per square foot of selling area was just over $9.00 and profits per square foot of selling area was typically $0.19.

## INVENTORY DATA

Gross margins are important for projecting sales for future periods and the independent store retailer should target the gross margins for each department. An unusually high gross margin indicates that prices may be unusually high while a gross margin that is low may be insufficient to cover operating expenses.

The typical conventional supermarket reported a gross margin of 22.5%, an inventory turnover of 17.4 times and a gross margin return on inventory (GMROI) of 486.1%. GMROI means that $4.86 of gross margin was earned on every dollar in inventory.

The tables on the following pages highlight selected key ratios and six-year comparisons for all conventional supermarket operators responding to the *FMI Operating Results of Independent Supermarkets* survey.

## All Responding Conventional Supermarket Operators 1984--1989

| | 1989 | 1988 | 1987 | 1986 | 1985 | 1984 |
|---|---|---|---|---|---|---|
| **SALES DATA** | | | | | | |
| Average Weekly Sales per Store* | $125,471 | $122,536 | $90,422 | $106,700 | $87,293 | $86,538 |
| Sales per Labor Hour* | $81.60 | $81.56 | $77.45 | $80.25 | $75.10 | $75.32 |
| Average Transaction Size | $14.13 | $14.93 | $12.66 | $14.19 | $12.60 | $12.02 |
| **SPACE DATA** | | | | | | |
| Total Store Area (square feet) | 18,600 | 20,000 | 17,250 | 18,000 | 16,500 | 17,000 |
| Selling Area (square feet) | 14,500 | 14,750 | 13,000 | 14,000 | 13,000 | 12,500 |
| Weekly Sales per Sq. ft. of Selling Area* | $9.06 | $9.16 | $7.12 | $8.19 | $7.37 | $7.25 |
| **INVENTORY DATA** | | | | | | |
| Inventory Turnover (times) | 17.4x | 18.8x | 16.5x | 17.7x | 17.5x | 17.1x |
| Gross Profit Margin | 22.5% | 22.1% | 21.5% | 21.2% | 21.9% | 21.3% |
| GMROI | 486.1% | 536.2% | 478.3% | 494.6% | 492.9% | 457.7% |
| **PROFIT DATA** | | | | | | |
| Net Profit Margin Before Tax | 2.1% | 1.6% | 1.6% | 1.3% | 1.4% | 1.7% |
| **OPERATING EXPENSE DATA** (as a % of sales) | | | | | | |
| Total Operating Expense | 20.4% | 20.8% | 19.6% | 19.7% | 20.0% | 19.2% |
| Store Labor Expense: | | | | | | |
| Direct/Regular | 9.1% | 8.8% | 8.6% | 8.4% | 8.8% | 8.6% |
| Fringe Benefits | 1.6% | 1.6% | 1.4% | 1.4% | 1.5% | 1.4% |

*These measures can be distorted by inflation.

## 1989 Conventional Supermarket Highlights

| | Average Weekly Sales ($) | Average Transaction Size ($) | Sales Per Hour of Operation ($) | Sales Per Labor Hour ($) | Transactions Per Labor Hour (#) | Total Gross Margin (%) | Inventory Turnover (x) | GMROI* (%) |
|---|---|---|---|---|---|---|---|---|
| All Stores | 125,471 | 14.12 | 1,247 | 81.60 | 5.6 | 22.5 | 17.4 | 486.1 |
| Northeast | 175,754 | 16.30 | 2,006 | 95.36 | 5.7 | 23.8 | 21.7 | 683.3 |
| Middle Atlantic | 216,416 | 17.61 | 2,026 | 101.92 | 5.3 | 24.6 | 18.7 | 568.4 |
| North Central | 119,687 | 14.17 | 1,024 | 77.33 | 5.2 | 21.9 | 17.5 | 473.8 |
| Mid South | 114,561 | 16.72 | 1,432 | 86.88 | 6.0 | 22.1 | 16.4 | 479.7 |
| Southeast | 91,233 | 12.60 | 882 | 72.28 | 6.0 | 19.6 | 15.4 | 370.8 |
| West South Central | 108,137 | 11.56 | 988 | 83.33 | 5.9 | 21.1 | 12.7 | 322.7 |
| Mountain | 135,402 | 17.08 | 1,750 | 91.36 | 5.0 | 24.3 | 16.6 | 524.1 |
| Pacific | 184,401 | 14.44 | 1,702 | 85.45 | 6.4 | 28.3 | 14.7 | 575.5 |
| Weekly Sales Less than $70,000 | 52,424 | 10.51 | 552 | 73.81 | 7.2 | 21.8 | 13.7 | 374.6 |
| Weekly Sales $70,000-$125,000 | 94,768 | 12.58 | 919 | 76.10 | 6.4 | 21.8 | 15.4 | 426.4 |
| Weekly Sales Over $125,000 | 200,950 | 17.99 | 1,852 | 85.85 | 4.9 | 23.2 | 21.0 | 586.2 |
| Less than 10,000 Square Feet | 63,677 | 11.23 | 637 | 74.98 | 7.0 | 22.8 | 15.4 | 416.0 |
| 10,000-12,499 Square Feet | 93,174 | 13.07 | 1,093 | 82.49 | 6.3 | 21.6 | 16.9 | 448.8 |
| 12,500-16,999 Square Feet | 128,859 | 14.01 | 1,157 | 81.58 | 5.5 | 22.4 | 18.3 | 482.9 |
| 17,000 Square Feet and Over | 214,866 | 18.14 | 2,079 | 86.25 | 4.8 | 22.9 | 19.2 | 568.4 |

*Gross Margin Return on Inventory

# Conventional Supermarkets--High Profit versus Low Profit

One of the most beneficial outcomes of studying industry performance statistics is understanding the operating characteristics of highly profitable stores. These stores, referred to as the "Most Profitable Stores" in this report, are defined as those whose profits as a percent of sales are in the upper 50th percentile of the sample.

An understanding of why these stores were successful can provide important clues for improvement to those stores whose profit performance was below average. However, food retailers are cautioned not to made indiscriminate changes in their operations to conform to the industry profit leaders. Rather, many formulas for success exist and are specific to each individual situation. But by focusing on the characteristics of high profit stores, it is possible to identify those areas most worthy of managerial attention.

Compared with the least profitable group of stores, the 1989 high profit stores exhibited:

- higher sales growth. Those classified as high profit reported a 6.8% sales increase while low profit stores reported a 3.9% increase.
- higher transaction sizes: $15.50 versus $12.94 for low profit stores.
- higher sales volumes. High profit stores reported $142,528 sales per week while low profit stores reported $93,159 per week.
- higher inventory turnover (18.7x versus 16.5x) and higher GMROI (566% versus 430%).
- higher gross margins (23.5% versus 21.5%), especially in the meat and produce departments (see next page).
- better expense control, containing expenses as a percent of sales to 19.6% versus 21.2% for lower profit stores.
- more productive personnel with sales per labor hour nearly $15 higher ($89.39 versus $74.51).

The most revealing difference between the two groups exists in the income statement. As shown on the next page, the high profit stores were much more successful in controlling expenses while maintaining high gross margin levels. These differences allowed the high profit stores to achieve a profit of 3.8% of sales compared to 0.4% for the low profit stores.

| 1989 Summary Income Statement (Numbers Expressed as a % of Total Sales) | | |
|---|---|---|
| | **Most Profitable Stores** | **Least Profitable Stores** |
| **Sales:** | | |
| Grocery | 71.5% | 73.0% |
| Meat | 19.5 | 19.9 |
| Produce | 9.0 | 7.1 |
| Total Sales | 100.0% | 100.0% |
| **Gross Margins:** | | |
| Grocery | 21.4 | 20.0 |
| Meat | 26.7 | 23.3 |
| Produce | 32.5 | 30.2 |
| Total Gross Margin | 23.5 | 21.5 |
| **Operating Expenses:** | | |
| Store Labor: | | |
| Regular | 8.9 | 9.4 |
| Benefits | 1.7 | 1.5 |
| Total Store Labor Expense | 10.5 | 10.9 |
| Advertising & Promotion | 1.1 | 1.4 |
| Occupancy (Excluding Utilities) | 1.7 | 1.8 |
| Utilities | 1.1 | 1.3 |
| Maintenance | 0.6 | 0.6 |
| Store Supplies | 1.1 | 1.2 |
| Interest | 0.4 | 0.4 |
| Other | 3.1 | 3.6 |
| Total Operating Expenses | 19.6 | 21.2 |
| **Profit Before Tax** | 3.8 | 0.4 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 167 | 5.0% | 1.7 - 9.7% |
| Average Transaction Size | 163 | $14.13 | $11.52 - 18.07 |
| Store Sales per Hour of Operation | 180 | $1,247 | $769 - 1,842 |
| **Distribution of Sales:** | | | |
| Grocery | 179 | 52.8% | 45.3 - 60.1% |
| Meat | 179 | 16.0% | 13.5 - 17.9% |
| Produce | 179 | 8.3% | 6.0 - 9.1% |
| General Merchandise/HaBA | 179 | 3.0% | 0.0 - 4.6% |
| Beer/Wine | 179 | 1.3% | 0.0 - 2.0% |
| Service Deli | 179 | 3.8% | 1.9 - 5.5% |
| Scratch/ Bake-Off Bakery | 179 | 1.4% | 0.0 - 2.3% |
| Frozen Food | 179 | 4.4% | 0.0 - 6.8% |
| Dairy | 179 | 6.5% | 0.0 - 10.0% |
| Other | 179 | 2.6% | 0.0 - 3.3% |
| Total | 179 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 179 | 71.9% | 68.7 - 76.1% |
| Meat | 179 | 19.8% | 17.2 - 22.0% |
| Produce | 179 | 8.3% | 6.0 - 9.1% |
| Total Sales | 179 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 166 | 20.6% | 18.7 - 21.9% |
| Meat | 166 | 25.5% | 22.3 - 28.2% |
| Produce | 166 | 31.3% | 28.6 - 33.9% |
| Total Gross Margin | 163 | 22.5% | 20.7 - 23.8% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 163 | 9.1% | 7.9 - 9.9% |
| Benefits | 163 | 1.6% | 0.8 - 2.0% |
| Total Store Labor Expense | 163 | 10.7% | 9.1 - 11.5% |
| Advertising & Promotion | 163 | 1.3% | 0.8 - 1.6% |
| Occupancy (Excluding Utilities) | 163 | 1.7% | 1.2 - 2.2% |
| Utilities | 163 | 1.2% | 0.9 - 1.5% |
| Maintenance | 163 | 0.6% | 0.4 - 0.8% |
| Store Supplies | 163 | 1.1% | 1.0 - 1.3% |
| Interest | 163 | 0.4% | 0.0 - 0.6% |
| Other | 163 | 3.4% | 2.0 - 4.7% |
| Total Operating Expenses | 163 | 20.4% | 18.1 - 22.0% |
| Profit Before Tax | 163 | 2.1% | 0.8 - 3.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 168 | $81.60 | $69.92 - 93.00 |
| Gross Margin per Labor Hour | 157 | $17.13 | $14.70 - 21.56 |
| Profit Before Tax per Labor Hour | 152 | $1.68 | $0.68 - 3.06 |
| Sales per Labor Dollar | 167 | $11.37 | $10.17 - 12.67 |
| Gross Margin per Labor Dollar | 165 | $2.50 | $2.25 - 2.71 |
| Transactions per Labor Hour | 156 | 5.6 | 4.6 - 7.0 |
| Payroll per Labor Hour | 154 | $6.84 | $6.06 - 8.75 |
| Benefits per Labor Hour | 150 | $1.17 | $0.59 - 1.75 |
| Payroll to Total Expenses | 167 | 45.3% | 41.6 - 48.9% |
| Benefits to Total Expenses | 162 | 7.3% | 4.0 - 10.3% |
| Payroll per Hour of Operation | 165 | $108.11 | $66.95 - 166.24 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 182 | 18,600 | 14,000 - 26,000 |
| Weekly Sales per Square Foot | 181 | $6.65 | $5.28 - 8.53 |
| Weekly Gross Margin per Square Foot | 170 | $1.47 | $1.11 - 1.96 |
| Weekly Profit Before Tax per Sq Ft | 164 | $0.14 | $0.05 - 0.26 |
| **Selling Area:** | | | |
| Average Square Footage | 183 | 14,500 | 10,000 - 19,000 |
| Weekly Sales per Square Foot | 182 | $9.06 | $6.97 - 11.99 |
| Weekly Gross Margin per Square Foot | 171 | $1.96 | $1.46 - 2.63 |
| Weekly Profit Before Tax per Sq Ft | 165 | $0.19 | $0.07 - 0.34 |
| Average Weekly Sales per Store | 182 | $125,471 | $76,973 - 201,345 |
| Number of Checkouts | 177 | 6 | 5 - 8 |
| Weekly Sales per Checkout | 176 | $20,806 | $16,698 - 25,092 |
| Weekly Transactions per Checkout | 160 | 1,452 | 1,255 - 1,695 |
| Selling Square Footage per Checkout | 176 | 2,253 | 1,992 - 2,735 |
| Occupancy Cost (incl utilities) per Sq Ft | 165 | $9.24 | $7.35 - 12.87 |
| Occupancy Cost (incl util) to Total Expense | 166 | 14.4% | 10.8 - 17.8% |
| Weekly Transactions per Sq Ft of Selling Area | 163 | 0.66 | 0.50 - 0.81 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 163 | 6.67 | 4.96 - 8.46 |
| Percentage of Selling Area to Total Area | 181 | 76.4% | 69.5 - 83.3% |
| Inventory Dollars per Sq Ft of Selling Area | 164 | $21.00 | $17.16 - 25.35 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 167 | 19.6% | 17.2 - 21.3% |
| Meat | 167 | 22.4% | 19.8 - 24.3% |
| Produce | 167 | 31.4% | 28.7 - 33.9% |
| General Merchandise/HaBA | 93 | 26.2% | 24.1 - 30.0% |
| Beer/Wine | 59 | 18.9% | 15.1 - 22.7% |
| Service Deli | 133 | 39.4% | 35.5 - 43.3% |
| Scratch/Bake-Off Bakery | 91 | 46.4% | 37.6 - 55.2% |
| Frozen Food | 114 | 25.7% | 22.4 - 27.8% |
| Dairy | 110 | 19.9% | 18.2 - 21.3% |
| Other | 89 | 21.6% | 14.1 - 29.9% |
| Total Gross Margin | 163 | 22.5% | 20.7 - 23.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 158 | 14.3X | 11.6 - 18.4X |
| Meat | 160 | 43.1X | 34.2 - 56.6X |
| Produce | 160 | 55.9X | 40.6 - 74.0X |
| General Merchandise/HaBA | 88 | 5.8X | 4.4 - 8.4X |
| Beer/Wine | 56 | 11.5X | 8.7 - 14.7X |
| Service Deli | 124 | 25.5X | 21.2 - 32.4X |
| Scratch/Bake-Off Bak | 81 | 21.9X | 13.2 - 32.5X |
| Frozen Food | 107 | 17.3X | 12.3 - 21.4X |
| Dairy | 103 | 36.6X | 29.8 - 45.5X |
| Other | 81 | 17.4X | 7.2 - 27.9X |
| Total Inventory Turnover | 161 | 17.4X | 14.1 - 21.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 158 | 341.2% | 271.3 - 434.9% |
| Meat | 160 | 1,219.5% | 881.7 - 1,666.9% |
| Produce | 160 | 2,509.2% | 1,722.0 - 3,381.3% |
| General Merchandise/HaBA | 88 | 205.1% | 132.3 - 298.4% |
| Beer/Wine | 57 | 254.9% | 153.7 - 375.0% |
| Service Deli | 124 | 1,724.9% | 1,300.8 - 2,212.7% |
| Scratch/Bake-Off Bakery | 81 | 1,978.7% | 1,247.8 - 3,268.0% |
| Frozen Food | 107 | 551.5% | 404.1 - 792.8% |
| Dairy | 103 | 901.6% | 701.5 - 1,151.5% |
| Other | 81 | 378.0% | 223.4 - 724.7% |
| Total GMROI | 161 | 486.1% | 377.2 - 637.8% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 179 | 71.9% | 68.7 - 76.1% |
| Meat | 179 | 19.8% | 17.2 - 22.0% |
| Produce | 179 | 8.3% | 6.0 - 9.1% |
| Total Sales | 179 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 166 | 20.6% | 18.7 - 21.9% |
| Meat | 166 | 25.5% | 22.3 - 28.2% |
| Produce | 166 | 31.3% | 28.6 - 33.9% |
| Total Gross Margin | 163 | 22.5% | 20.7 - 23.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 157 | 14.5X | 11.1 - 18.1X |
| Meat | 159 | 39.8X | 31.1 - 48.2X |
| Produce | 159 | 55.3X | 40.6 - 74.0X |
| Total Inventory Turnover | 161 | 17.4X | 14.1 - 21.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 157 | 366.1% | 290.5 - 456.6% |
| Meat | 159 | 1,279.7% | 996.5 - 1,740.7% |
| Produce | 159 | 2,505.6% | 1,721.3 - 3,367.9% |
| Total GMROI | 161 | 486.1% | 377.2 - 637.8% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - NORTHEAST REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 20 | 6.2% | 1.3 - 7.9% |
| Average Transaction Size | 20 | $16.30 | $14.44 - 19.16 |
| Store Sales per Hour of Operation | 20 | $2,006 | $1,365 - 2,594 |
| **Distribution of Sales:** | | | |
| Grocery | 20 | 50.2% | 34.2 - 69.2% |
| Meat | 20 | 16.9% | 15.5 - 17.8% |
| Produce | 20 | 9.7% | 9.0 - 10.3% |
| General Merchandise/HaBA | 20 | 1.2% | 0.0 - 2.6% |
| Beer/Wine | 20 | 0.4% | 0.0 - 0.0% |
| Service Deli | 20 | 5.9% | 5.1 - 6.3% |
| Scratch/ Bake-Off Bakery | 20 | 0.8% | 0.0 - 1.6% |
| Frozen Food | 20 | 3.8% | 0.0 - 6.9% |
| Dairy | 20 | 6.4% | 0.0 - 11.1% |
| Other | 20 | 4.8% | 0.0 - 11.1% |
| Total | 20 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 20 | 67.6% | 66.2 - 70.5% |
| Meat | 20 | 22.7% | 20.4 - 23.6% |
| Produce | 20 | 9.7% | 9.0 - 10.3% |
| Total Sales | 20 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 20 | 20.2% | 19.1 - 21.1% |
| Meat | 20 | 29.2% | 27.4 - 30.8% |
| Produce | 20 | 35.9% | 32.2 - 39.6% |
| Total Gross Margin | 15 | 23.8% | 23.0 - 24.8% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 15 | 9.6% | 9.2 - 10.5% |
| Benefits | 15 | 1.8% | 1.6 - 2.0% |
| Total Store Labor Expense | 15 | 11.4% | 11.0 - 11.7% |
| Advertising & Promotion | 15 | 1.2% | 1.1 - 1.2% |
| Occupancy (Excluding Utilities) | 15 | 1.9% | 1.2 - 2.6% |
| Utilities | 15 | 1.1% | 0.9 - 1.2% |
| Maintenance | 15 | 0.6% | 0.5 - 0.6% |
| Store Supplies | 15 | 1.2% | 1.1 - 1.3% |
| Interest | 15 | 0.2% | 0.1 - 0.3% |
| Other | 15 | 3.8% | 2.3 - 5.6% |
| Total Operating Expenses | 15 | 21.3% | 20.1 - 22.1% |
| Profit Before Tax | 15 | 2.4% | 1.8 - 3.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - NORTHEAST REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 18 | $95.36 | $84.61 - 101.37 |
| Gross Margin per Labor Hour | 18 | $22.73 | $20.27 - 24.08 |
| Profit Before Tax per Labor Hour | 14 | $2.77 | $1.40 - 3.35 |
| Sales per Labor Dollar | 15 | $10.70 | $9.59 - 10.89 |
| Gross Margin per Labor Dollar | 15 | $2.55 | $2.39 - 2.60 |
| Transactions per Labor Hour | 18 | 5.7 | 4.8 - 6.2 |
| Payroll per Labor Hour | 14 | $9.06 | $8.81 - 9.38 |
| Benefits per Labor Hour | 14 | $1.89 | $1.30 - 2.04 |
| Payroll to Total Expenses | 15 | 44.8% | 43.9 - 46.3% |
| Benefits to Total Expenses | 15 | 9.2% | 7.2 - 9.7% |
| Payroll per Hour of Operation | 15 | $169.37 | $124.68 - 220.97 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 20 | 19,750 | 13,500 - 24,250 |
| Weekly Sales per Square Foot | 20 | $8.61 | $7.70 - 10.46 |
| Weekly Gross Margin per Square Foot | 20 | $2.07 | $1.77 - 2.36 |
| Weekly Profit Before Tax per Sq Ft | 15 | $0.26 | $0.16 - 0.31 |
| **Selling Area:** | | | |
| Average Square Footage | 20 | 14,000 | 10,000 - 19,250 |
| Weekly Sales per Square Foot | 20 | $10.61 | $9.53 - 13.37 |
| Weekly Gross Margin per Square Foot | 20 | $2.55 | $2.23 - 3.04 |
| Weekly Profit Before Tax per Sq Ft | 15 | $0.31 | $0.22 - 0.38 |
| Average Weekly Sales per Store | 20 | $175,754 | $114,038 - 226,731 |
| Number of Checkouts | 20 | 7 | 6 - 8 |
| Weekly Sales per Checkout | 20 | $24,291 | $20,468 - 25,964 |
| Weekly Transactions per Checkout | 20 | 1,417 | 1,270 - 1,514 |
| Selling Square Footage per Checkout | 20 | 2,031 | 1,738 - 2,336 |
| Occupancy Cost (incl utilities) per Sq Ft | 15 | $13.40 | $10.89 - 18.48 |
| Occupancy Cost (incl util) to Total Expense | 15 | 15.0% | 10.7 - 18.2% |
| Weekly Transactions per Sq Ft of Selling Area | 20 | 0.72 | 0.61 - 0.78 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 20 | 8.29 | 6.51 - 9.60 |
| Percentage of Selling Area to Total Area | 20 | 82.2% | 76.5 - 85.1% |
| Inventory Dollars per Sq Ft of Selling Area | 18 | $18.92 | $18.00 - 21.68 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - NORTHEAST REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 20 | 19.9% | 17.7 - 21.7% |
| Meat | 20 | 24.8% | 24.3 - 26.0% |
| Produce | 20 | 35.9% | 32.2 - 39.6% |
| General Merchandise/HaBA | 8 | 32.4% | 32.3 - 34.0% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 20 | 41.5% | 39.1 - 43.6% |
| Scratch/Bake-Off Bakery | 9 | 46.3% | 40.5 - 51.8% |
| Frozen Food | 11 | 30.9% | 30.8 - 32.6% |
| Dairy | 11 | 21.1% | 20.1 - 21.7% |
| Other | 12 | 28.0% | 3.3 - 19.5% |
| Total Gross Margin | 15 | 23.8% | 23.0 - 24.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 18 | 18.2X | 14.5 - 21.0X |
| Meat | 18 | 49.3X | 39.1 - 66.2X |
| Produce | 18 | 95.7X | 43.3 - 160.4X |
| General Merchandise/HaBA | 8 | 22.1X | 18.4 - 25.3X |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 18 | 27.8X | 24.1 - 33.1X |
| Scratch/Bake-Off Bakery | 7 | 34.3X | 22.8 - 42.7X |
| Frozen Food | 9 | 21.2X | 18.8 - 24.6X |
| Dairy | 9 | 24.8X | 19.9 - 30.2X |
| Other | 10 | 23.0X | 17.9 - 27.9X |
| Total Inventory Turnover | 18 | 21.7X | 19.6 - 27.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 18 | 498.7% | 384.4 - 525.7% |
| Meat | 18 | 1,656.6% | 1,283.2 - 2,099.9% |
| Produce | 18 | 5,340.1% | 2,462.6 - 10,584.6% |
| General Merchandise/HaBA | 8 | 1,094.0% | 952.5 - 1,275.8% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 18 | 2,059.2% | 1,649.8 - 2,418.7% |
| Scratch/Bake-Off Bakery | 7 | 3,268.0% | 2,030.6 - 3,905.7% |
| Frozen Food | 9 | 955.6% | 885.0 - 1,185.4% |
| Dairy | 9 | 626.5% | 535.6 - 762.3% |
| Other | 10 | 129.1% | 66.5 - 979.6% |
| Total GMROI | 18 | 683.3% | 606.9 - 808.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - NORTHEAST REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 20 | 67.6% | 66.2 - 70.5% |
| Meat | 20 | 22.7% | 20.4 - 23.6% |
| Produce | 20 | 9.7% | 9.0 - 10.3% |
| Total Sales | 20 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 20 | 20.2% | 19.1 - 21.1% |
| Meat | 20 | 29.2% | 27.4 - 30.8% |
| Produce | 20 | 35.9% | 32.2 - 39.6% |
| Total Gross Margin | 15 | 23.8% | 23.0 - 24.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 18 | 18.4X | 16.3 - 21.4X |
| Meat | 18 | 45.2X | 34.9 - 50.3X |
| Produce | 18 | 95.7X | 43.3 - 160.4X |
| Total Inventory Turnover | 18 | 21.7X | 19.6 - 27.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 18 | 449.2% | 417.5 - 524.8% |
| Meat | 18 | 1,810.7% | 1,424.6 - 2,119.9% |
| Produce | 18 | 5,340.1% | 2,462.6 - 10,584.6% |
| Total GMROI | 18 | 683.3% | 606.9 - 808.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MIDDLE ATLANTIC REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 17 | 5.0% | 2.3 - 10.2% |
| Average Transaction Size | 18 | $17.61 | $12.16 - 21.21 |
| Store Sales per Hour of Operation | 18 | $2,026 | $1,035 - 2,941 |
| **Distribution of Sales:** | | | |
| Grocery | 18 | 47.4% | 43.2 - 50.4% |
| Meat | 18 | 14.2% | 11.6 - 17.5% |
| Produce | 18 | 10.1% | 6.8 - 9.9% |
| General Merchandise/HaBA | 18 | 3.0% | 0.0 - 5.2% |
| Beer/Wine | 18 | 0.2% | 0.0 - 0.0% |
| Service Deli | 18 | 6.0% | 4.3 - 7.2% |
| Scratch/ Bake-Off Bakery | 18 | 3.0% | 0.4 - 2.3% |
| Frozen Food | 18 | 6.2% | 5.7 - 7.1% |
| Dairy | 18 | 8.3% | 8.2 - 10.0% |
| Other | 18 | 1.6% | 0.0 - 2.7% |
| Total | 18 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 18 | 69.7% | 66.8 - 73.2% |
| Meat | 18 | 20.2% | 16.6 - 25.7% |
| Produce | 18 | 10.1% | 6.8 - 9.9% |
| Total Sales | 18 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 16 | 23.0% | 20.1 - 23.0% |
| Meat | 16 | 27.9% | 25.1 - 30.0% |
| Produce | 16 | 31.6% | 28.6 - 34.9% |
| Total Gross Margin | 16 | 24.6% | 22.2 - 25.6% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 16 | 9.6% | 8.1 - 9.9% |
| Benefits | 16 | 2.3% | 1.7 - 2.6% |
| Total Store Labor Expense | 16 | 11.9% | 9.8 - 12.1% |
| Advertising & Promotion | 16 | 1.6% | 1.1 - 1.9% |
| Occupancy (Excluding Utilities) | 16 | 2.2% | 1.7 - 2.4% |
| Utilities | 16 | 1.3% | 1.1 - 1.5% |
| Maintenance | 16 | 0.7% | 0.6 - 0.8% |
| Store Supplies | 16 | 1.2% | 1.0 - 1.4% |
| Interest | 16 | 0.4% | 0.0 - 0.6% |
| Other | 16 | 3.4% | 1.7 - 4.9% |
| Total Operating Expenses | 16 | 22.5% | 20.4 - 22.8% |
| Profit Before Tax | 16 | 2.1% | 1.8 - 2.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MIDDLE ATLANTIC REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 17 | $101.92 | $82.49 - 112.22 |
| Gross Margin per Labor Hour | 15 | $24.21 | $18.75 - 27.78 |
| Profit Before Tax per Labor Hour | 15 | $2.39 | $1.48 - 3.18 |
| Sales per Labor Dollar | 16 | $10.99 | $10.06 - 12.39 |
| Gross Margin per Labor Dollar | 16 | $2.66 | $2.34 - 2.85 |
| Transactions per Labor Hour | 17 | 5.3 | 5.0 - 7.3 |
| Payroll per Labor Hour | 15 | $9.22 | $6.61 - 10.27 |
| Benefits per Labor Hour | 15 | $2.27 | $1.48 - 2.87 |
| Payroll to Total Expenses | 16 | 42.9% | 39.1 - 46.8% |
| Benefits to Total Expenses | 16 | 10.5% | 8.6 - 12.1% |
| Payroll per Hour of Operation | 16 | $183.87 | $104.62 - 280.81 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 18 | 19,869 | 16,475 - 29,316 |
| Weekly Sales per Square Foot | 18 | $7.50 | $6.25 - 11.73 |
| Weekly Gross Margin per Square Foot | 16 | $1.92 | $1.71 - 3.14 |
| Weekly Profit Before Tax per Sq Ft | 16 | $0.20 | $0.13 - 0.31 |
| **Selling Area:** | | | |
| Average Square Footage | 18 | 15,000 | 10,750 - 19,375 |
| Weekly Sales per Square Foot | 18 | $12.72 | $8.96 - 14.98 |
| Weekly Gross Margin per Square Foot | 16 | $2.93 | $2.45 - 3.92 |
| Weekly Profit Before Tax per Sq Ft | 16 | $0.31 | $0.18 - 0.41 |
| Average Weekly Sales per Store | 18 | $216,416 | $99,351 - 277,912 |
| Number of Checkouts | 17 | 8 | 5 - 10 |
| Weekly Sales per Checkout | 17 | $25,142 | $16,713 - 29,381 |
| Weekly Transactions per Checkout | 17 | 1,485 | 1,225 - 1,589 |
| Selling Square Footage per Checkout | 17 | 2,000 | 1,813 - 2,286 |
| Occupancy Cost (incl utilities) per Sq Ft | 16 | $14.18 | $12.04 - 17.53 |
| Occupancy Cost (incl util) to Total Expense | 16 | 14.9% | 12.7 - 18.9% |
| Weekly Transactions per Sq Ft of Selling Area | 18 | 0.71 | 0.67 - 0.84 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 18 | 7.75 | 6.55 - 9.48 |
| Percentage of Selling Area to Total Area | 18 | 72.3% | 66.7 - 80.5% |
| Inventory Dollars per Sq Ft of Selling Area | 15 | $26.26 | $23.00 - 28.82 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - MIDDLE ATLANTIC REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 16 | 20.4% | 17.4 - 21.1% |
| Meat | 16 | 24.1% | 20.8 - 25.1% |
| Produce | 16 | 31.6% | 28.6 - 34.9% |
| General Merchandise/HaBA | 11 | 23.9% | 19.8 - 27.6% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 16 | 38.0% | 33.7 - 42.6% |
| Scratch/Bake-Off Bakery | 13 | 47.6% | 41.9 - 49.8% |
| Frozen Food | 16 | 29.8% | 26.8 - 31.1% |
| Dairy | 15 | 21.9% | 19.8 - 23.2% |
| Other | 12 | 25.1% | 16.8 - 31.7% |
| Total Gross Margin | 16 | 24.6% | 22.2 - 25.6% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 15 | 15.0X | 12.9 - 16.8X |
| Meat | 15 | 46.5X | 33.9 - 58.5X |
| Produce | 15 | 58.8X | 46.7 - 65.5X |
| General Merchandise/HaBA | 10 | 6.1X | 5.2 - 7.7X |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 15 | 24.5X | 21.6 - 30.8X |
| Scratch/Bake-Off Bakery | 12 | 27.5X | 14.7 - 45.9X |
| Frozen Food | 15 | 15.9X | 13.2 - 20.2X |
| Dairy | 15 | 34.2X | 30.9 - 38.4X |
| Other | 12 | 18.9X | 11.6 - 31.7X |
| Total Inventory Turnover | 15 | 18.7X | 17.6 - 21.2X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 15 | 367.3% | 285.8 - 429.0% |
| Meat | 15 | 1,284.2% | 1,129.4 - 2,170.4% |
| Produce | 15 | 2,755.8% | 2,211.6 - 3,383.6% |
| General Merchandise/HaBA | 10 | 203.4% | 116.0 - 288.7% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 15 | 1,590.3% | 1,186.5 - 1,949.6% |
| Scratch/Bake-Off Bakery | 12 | 2,544.8% | 1,425.9 - 3,419.7% |
| Frozen Food | 15 | 668.6% | 526.6 - 845.1% |
| Dairy | 15 | 969.7% | 831.6 - 1,116.5% |
| Other | 12 | 450.1% | 307.2 - 1,534.3% |
| Total GMROI | 15 | 568.4% | 533.2 - 735.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MIDDLE ATLANTIC REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 18 | 69.7% | 66.8 - 73.2% |
| Meat | 18 | 20.2% | 16.6 - 25.7% |
| Produce | 18 | 10.1% | 6.8 - 9.9% |
| Total Sales | 18 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 16 | 23.0% | 20.1 - 23.0% |
| Meat | 16 | 27.9% | 25.1 - 30.0% |
| Produce | 16 | 31.6% | 28.6 - 34.9% |
| Total Gross Margin | 16 | 24.6% | 22.2 - 25.6% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 15 | 15.1X | 13.7 - 17.6X |
| Meat | 15 | 40.3X | 30.3 - 46.8X |
| Produce | 15 | 58.8X | 46.7 - 65.5X |
| Total Inventory Turnover | 15 | 18.7X | 17.6 - 21.2X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 15 | 428.7% | 357.9 - 544.7% |
| Meat | 15 | 1,402.3% | 1,163.6 - 1,911.6% |
| Produce | 15 | 2,755.8% | 2,211.6 - 3,383.6% |
| Total GMROI | 15 | 568.4% | 533.2 - 735.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - NORTH CENTRAL REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 66 | 3.8% | 0.3 - 8.9% |
| Average Transaction Size | 65 | $14.17 | $11.49 - 17.99 |
| Store Sales per Hour of Operation | 71 | $1,024 | $669 - 1,602 |
| **Distribution of Sales:** | | | |
| Grocery | 69 | 51.2% | 45.1 - 55.1% |
| Meat | 69 | 15.3% | 13.3 - 17.0% |
| Produce | 69 | 8.0% | 5.8 - 7.9% |
| General Merchandise/HaBA | 69 | 3.2% | 0.0 - 4.9% |
| Beer/Wine | 69 | 1.1% | 0.0 - 2.2% |
| Service Deli | 69 | 3.4% | 1.9 - 5.0% |
| Scratch/ Bake-Off Bakery | 69 | 1.8% | 0.0 - 2.8% |
| Frozen Food | 69 | 5.3% | 4.8 - 7.0% |
| Dairy | 69 | 8.0% | 8.7 - 10.2% |
| Other | 69 | 2.7% | 0.0 - 3.2% |
| Total | 69 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 69 | 73.3% | 71.6 - 77.2% |
| Meat | 69 | 18.7% | 17.1 - 19.8% |
| Produce | 69 | 8.0% | 5.8 - 7.9% |
| Total Sales | 69 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 63 | 20.6% | 19.0 - 21.8% |
| Meat | 63 | 24.1% | 21.4 - 26.1% |
| Produce | 63 | 30.1% | 27.6 - 32.2% |
| Total Gross Margin | 66 | 21.9% | 20.8 - 22.9% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 66 | 9.1% | 7.9 - 9.7% |
| Benefits | 66 | 1.5% | 0.7 - 1.8% |
| Total Store Labor Expense | 66 | 10.6% | 9.0 - 11.3% |
| Advertising & Promotion | 66 | 1.3% | 0.8 - 1.7% |
| Occupancy (Excluding Utilities) | 66 | 1.6% | 1.0 - 2.0% |
| Utilities | 66 | 1.2% | 0.9 - 1.4% |
| Maintenance | 66 | 0.6% | 0.4 - 0.7% |
| Store Supplies | 66 | 1.1% | 0.9 - 1.3% |
| Interest | 66 | 0.4% | 0.0 - 0.7% |
| Other | 66 | 3.6% | 2.4 - 4.7% |
| Total Operating Expenses | 66 | 20.3% | 18.7 - 21.5% |
| Profit Before Tax | 66 | 1.6% | 0.8 - 3.1% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - NORTH CENTRAL REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 68 | $77.33 | $68.71 - 87.17 |
| Gross Margin per Labor Hour | 63 | $16.65 | $14.33 - 19.54 |
| Profit Before Tax per Labor Hour | 63 | $1.25 | $0.53 - 2.56 |
| Sales per Labor Dollar | 66 | $11.42 | $10.29 - 12.59 |
| Gross Margin per Labor Dollar | 66 | $2.49 | $2.25 - 2.66 |
| Transactions per Labor Hour | 63 | 5.2 | 4.0 - 6.7 |
| Payroll per Labor Hour | 63 | $6.68 | $6.08 - 7.55 |
| Benefits per Labor Hour | 62 | $1.09 | $0.48 - 1.39 |
| Payroll to Total Expenses | 66 | 44.6% | 41.3 - 48.1% |
| Benefits to Total Expenses | 65 | 6.7% | 3.6 - 8.7% |
| Payroll per Hour of Operation | 66 | $100.12 | $59.16 - 139.41 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 70 | 19,000 | 12,050 - 27,000 |
| Weekly Sales per Square Foot | 70 | $6.19 | $5.42 - 7.62 |
| Weekly Gross Margin per Square Foot | 65 | $1.35 | $1.11 - 1.61 |
| Weekly Profit Before Tax per Sq Ft | 65 | $0.11 | $0.05 - 0.19 |
| **Selling Area:** | | | |
| Average Square Footage | 71 | 13,500 | 9,214 - 19,334 |
| Weekly Sales per Square Foot | 71 | $8.68 | $6.60 - 10.99 |
| Weekly Gross Margin per Square Foot | 66 | $1.84 | $1.43 - 2.24 |
| Weekly Profit Before Tax per Sq Ft | 66 | $0.15 | $0.07 - 0.28 |
| Average Weekly Sales per Store | 71 | $119,687 | $67,632 - 190,716 |
| Number of Checkouts | 70 | 6 | 4 - 8 |
| Weekly Sales per Checkout | 70 | $20,389 | $17,314 - 23,556 |
| Weekly Transactions per Checkout | 64 | 1,386 | 1,220 - 1,656 |
| Selling Square Footage per Checkout | 70 | 2,243 | 2,000 - 2,819 |
| Occupancy Cost (incl utilities) per Sq Ft | 64 | $8.69 | $7.28 - 10.59 |
| Occupancy Cost (incl util) to Total Expense | 65 | 13.3% | 11.0 - 15.5% |
| Weekly Transactions per Sq Ft of Selling Area | 65 | 0.60 | 0.46 - 0.76 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 65 | 5.81 | 4.44 - 7.47 |
| Percentage of Selling Area to Total Area | 70 | 72.5% | 66.9 - 80.0% |
| Inventory Dollars per Sq Ft of Selling Area | 65 | $20.60 | $16.07 - 24.03 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - NORTH CENTRAL REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 63 | 19.3% | 17.2 - 21.1% |
| Meat | 63 | 21.1% | 18.5 - 22.9% |
| Produce | 63 | 30.1% | 27.6 - 32.2% |
| General Merchandise/HaBA | 42 | 25.5% | 24.4 - 28.5% |
| Beer/Wine | 29 | 19.6% | 18.6 - 22.6% |
| Service Deli | 50 | 39.3% | 34.8 - 43.7% |
| Scratch/Bake-Off Bakery | 44 | 44.4% | 35.3 - 53.2% |
| Frozen Food | 53 | 25.5% | 22.8 - 27.2% |
| Dairy | 52 | 19.4% | 17.4 - 21.0% |
| Other | 37 | 13.6% | 15.2 - 28.8% |
| Total Gross Margin | 66 | 21.9% | 20.8 - 22.9% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 60 | 15.2X | 12.1 - 18.8X |
| Meat | 62 | 43.2X | 34.7 - 52.9X |
| Produce | 62 | 57.9X | 40.9 - 73.9X |
| General Merchandise/HaBA | 39 | 5.6X | 4.4 - 7.3X |
| Beer/Wine | 26 | 10.3X | 8.2 - 13.2X |
| Service Deli | 49 | 30.3X | 23.7 - 37.4X |
| Scratch/Bake-Off Bakery | 40 | 27.1X | 16.8 - 32.2X |
| Frozen Food | 50 | 17.4X | 13.5 - 21.5X |
| Dairy | 49 | 39.8X | 32.9 - 47.3X |
| Other | 33 | 17.2X | 6.9 - 27.1X |
| Total Inventory Turnover | 63 | 17.5X | 14.5 - 21.7X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 60 | 342.9% | 296.5 - 416.0% |
| Meat | 62 | 1,095.5% | 832.5 - 1,576.6% |
| Produce | 62 | 2,492.9% | 1,750.5 - 3,153.0% |
| General Merchandise/HaBA | 39 | 201.3% | 139.1 - 236.4% |
| Beer/Wine | 26 | 286.0% | 179.6 - 372.7% |
| Service Deli | 49 | 1,855.8% | 1,653.1 - 2,487.0% |
| Scratch/Bake-Off Bakery | 40 | 2,128.1% | 1,306.6 - 3,407.9% |
| Frozen Food | 50 | 569.7% | 396.2 - 779.2% |
| Dairy | 49 | 902.4% | 711.2 - 1,184.9% |
| Other | 33 | 384.3% | 284.1 - 700.2% |
| Total GMROI | 63 | 473.8% | 391.8 - 613.1% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - NORTH CENTRAL REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 69 | 73.3% | 71.6 - 77.2% |
| Meat | 69 | 18.7% | 17.1 - 19.8% |
| Produce | 69 | 8.0% | 5.8 - 7.9% |
| Total Sales | 69 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 63 | 20.6% | 19.0 - 21.8% |
| Meat | 63 | 24.1% | 21.4 - 26.1% |
| Produce | 63 | 30.1% | 27.6 - 32.2% |
| Total Gross Margin | 66 | 21.9% | 20.8 - 22.9% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 60 | 15.2X | 12.1 - 18.9X |
| Meat | 62 | 40.5X | 33.2 - 48.6X |
| Produce | 62 | 57.9X | 40.9 - 73.9X |
| Total Inventory Turnover | 63 | 17.5X | 14.5 - 21.7X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 60 | 370.0% | 309.3 - 470.7% |
| Meat | 62 | 1,269.0% | 903.4 - 1,729.9% |
| Produce | 62 | 2,492.9% | 1,750.5 - 3,153.0% |
| Total GMROI | 63 | 473.8% | 391.8 - 613.1% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MID SOUTH REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 9 | 6.4% | 3.8 - 13.7% |
| Average Transaction Size | 8 | $16.72 | $12.52 - 20.94 |
| Store Sales per Hour of Operation | 11 | $1,432 | $999 - 1,825 |
| **Distribution of Sales:** | | | |
| Grocery | 10 | 58.9% | 52.6 - 67.1% |
| Meat | 10 | 15.4% | 13.9 - 16.2% |
| Produce | 10 | 6.9% | 6.0 - 7.6% |
| General Merchandise/HaBA | 10 | 1.8% | 0.0 - 3.3% |
| Beer/Wine | 10 | 1.2% | 0.0 - 1.2% |
| Service Deli | 10 | 4.3% | 3.3 - 5.9% |
| Scratch/ Bake-Off Bakery | 10 | 0.9% | 0.0 - 1.9% |
| Frozen Food | 10 | 3.5% | 0.0 - 5.8% |
| Dairy | 10 | 5.6% | 0.0 - 9.2% |
| Other | 10 | 1.5% | 0.0 - 3.4% |
| Total | 10 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 10 | 73.4% | 72.1 - 74.0% |
| Meat | 10 | 19.7% | 19.1 - 20.8% |
| Produce | 10 | 6.9% | 6.0 - 7.6% |
| Total Sales | 10 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 9 | 20.0% | 18.7 - 20.7% |
| Meat | 9 | 24.9% | 24.5 - 25.9% |
| Produce | 9 | 31.3% | 30.5 - 32.8% |
| Total Gross Margin | 8 | 22.1% | 20.9 - 22.9% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 8 | 9.4% | 8.5 - 10.1% |
| Benefits | 8 | 0.9% | 0.3 - 1.6% |
| Total Store Labor Expense | 8 | 10.3% | 9.6 - 11.5% |
| Advertising & Promotion | 8 | 1.1% | 0.7 - 1.5% |
| Occupancy (Excluding Utilities) | 8 | 1.0% | 0.7 - 1.4% |
| Utilities | 8 | 1.1% | 0.9 - 1.3% |
| Maintenance | 8 | 0.5% | 0.4 - 0.6% |
| Store Supplies | 8 | 1.3% | 1.2 - 1.4% |
| Interest | 8 | 0.7% | 0.2 - 0.7% |
| Other | 8 | 3.5% | 3.2 - 4.2% |
| Total Operating Expenses | 8 | 19.5% | 18.5 - 20.8% |
| Profit Before Tax | 8 | 2.6% | 1.2 - 3.2% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MID SOUTH REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 11 | $86.88 | $75.30 - 91.31 |
| Gross Margin per Labor Hour | 9 | $18.66 | $15.70 - 20.59 |
| Profit Before Tax per Labor Hour | 8 | $2.16 | $0.90 - 2.95 |
| Sales per Labor Dollar | 8 | $10.82 | $9.96 - 11.76 |
| Gross Margin per Labor Dollar | 8 | $2.38 | $2.22 - 2.46 |
| Transactions per Labor Hour | 8 | 6.0 | 4.4 - 6.8 |
| Payroll per Labor Hour | 8 | $7.66 | $6.43 - 8.94 |
| Benefits per Labor Hour | 6 | $0.97 | |
| Payroll to Total Expenses | 8 | 49.7% | 45.5 - 51.5% |
| Benefits to Total Expenses | 6 | 6.0% | |
| Payroll per Hour of Operation | 8 | $106.08 | $77.71 - 145.86 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 11 | 18,000 | 16,745 - 26,000 |
| Weekly Sales per Square Foot | 11 | $6.50 | $5.95 - 7.00 |
| Weekly Gross Margin per Square Foot | 9 | $1.44 | $1.30 - 1.47 |
| Weekly Profit Before Tax per Sq Ft | 8 | $0.16 | $0.08 - 0.19 |
| **Selling Area:** | | | |
| Average Square Footage | 11 | 16,000 | 12,050 - 20,750 |
| Weekly Sales per Square Foot | 11 | $8.07 | $7.20 - 8.94 |
| Weekly Gross Margin per Square Foot | 9 | $1.74 | $1.64 - 1.83 |
| Weekly Profit Before Tax per Sq Ft | 8 | $0.19 | $0.10 - 0.23 |
| Average Weekly Sales per Store | 11 | $114,561 | $102,578 - 174,470 |
| Number of Checkouts | 11 | 7 | 5 - 7 |
| Weekly Sales per Checkout | 11 | $22,363 | $16,979 - 23,470 |
| Weekly Transactions per Checkout | 8 | 1,379 | 1,248 - 1,634 |
| Selling Square Footage per Checkout | 11 | 2,750 | 2,330 - 3,257 |
| Occupancy Cost (incl utilities) per Sq Ft | 8 | $7.13 | $4.93 - 8.36 |
| Occupancy Cost (incl util) to Total Expense | 8 | 10.9% | 9.8 - 11.9% |
| Weekly Transactions per Sq Ft of Selling Area | 8 | 0.60 | 0.45 - 0.68 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 8 | 5.48 | 3.96 - 7.21 |
| Percentage of Selling Area to Total Area | 11 | 80.0% | 75.5 - 87.0% |
| Inventory Dollars per Sq Ft of Selling Area | 10 | $18.29 | $16.15 - 19.92 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - MID SOUTH REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 9 | 19.0% | 17.4 - 21.5% |
| Meat | 9 | 21.3% | 19.7 - 22.3% |
| Produce | 9 | 31.3% | 30.5 - 32.8% |
| General Merchandise/HaBA | 0 | INSUFFICIENT DATA | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 8 | 38.7% | 36.3 - 42.8% |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 5 | 24.4% | |
| Dairy | 5 | 18.6% | |
| Other | 0 | INSUFFICIENT DATA | |
| Total Gross Margin | 8 | 22.1% | 20.9 - 22.9% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 9 | 15.0X | 12.7 - 17.0X |
| Meat | 9 | 36.4X | 33.7 - 53.3X |
| Produce | 9 | 58.2X | 37.6 - 65.5X |
| General Merchandise/HaBA | 0 | INSUFFICIENT DATA | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 8 | 22.1X | 19.4 - 28.1X |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 5 | 17.3X | |
| Dairy | 5 | 37.9X | |
| Other | 0 | INSUFFICIENT DATA | |
| Total Inventory Turnover | 9 | 16.4X | 15.1 - 19.9X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 9 | 330.9% | 288.2 - 427.1% |
| Meat | 9 | 1,041.7% | 813.2 - 1,419.0% |
| Produce | 9 | 2,654.7% | 1,861.9 - 3,008.0% |
| General Merchandise/HaBA | 0 | INSUFFICIENT DATA | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 8 | 1,386.4% | 1,190.6 - 1,764.7% |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 5 | 531.9% | |
| Dairy | 5 | 906.2% | |
| Other | 0 | INSUFFICIENT DATA | |
| Total GMROI | 9 | 479.7% | 463.4 - 499.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MID SOUTH REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 10 | 73.4% | 72.1 - 74.0% |
| Meat | 10 | 19.7% | 19.1 - 20.8% |
| Produce | 10 | 6.9% | 6.0 - 7.6% |
| Total Sales | 10 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 9 | 20.0% | 18.7 - 20.7% |
| Meat | 9 | 24.9% | 24.5 - 25.9% |
| Produce | 9 | 31.3% | 30.5 - 32.8% |
| Total Gross Margin | 8 | 22.1% | 20.9 - 22.9% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 9 | 13.9X | 12.1 - 17.3X |
| Meat | 9 | 34.0X | 30.4 - 39.9X |
| Produce | 9 | 58.2X | 37.6 - 65.5X |
| Total Inventory Turnover | 9 | 16.4X | 15.1 - 19.9X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 9 | 354.1% | 341.1 - 403.5% |
| Meat | 9 | 1,187.1% | 1,100.8 - 1,395.8% |
| Produce | 9 | 2,654.7% | 1,861.9 - 3,008.0% |
| Total GMROI | 9 | 479.7% | 463.4 - 499.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - SOUTHEAST REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 22 | 3.7% | 0.6 - 8.8% |
| Average Transaction Size | 25 | $12.60 | $8.75 - 13.84 |
| Store Sales per Hour of Operation | 26 | $882 | $642 - 1,216 |
| **Distribution of Sales:** | | | |
| Grocery | 26 | 54.6% | 49.4 - 58.9% |
| Meat | 26 | 19.8% | 14.7 - 22.5% |
| Produce | 26 | 6.5% | 5.6 - 6.9% |
| General Merchandise/HaBA | 26 | 0.9% | 0.0 - 2.2% |
| Beer/Wine | 26 | 2.6% | 0.0 - 4.0% |
| Service Deli | 26 | 2.9% | 0.0 - 4.7% |
| Scratch/ Bake-Off Bakery | 26 | 0.2% | 0.0 - 0.0% |
| Frozen Food | 26 | 4.3% | 3.3 - 6.4% |
| Dairy | 26 | 7.2% | 5.1 - 9.9% |
| Other | 26 | 1.0% | 0.0 - 0.0% |
| Total | 26 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 26 | 70.9% | 68.1 - 74.6% |
| Meat | 26 | 22.6% | 18.9 - 25.6% |
| Produce | 26 | 6.5% | 5.6 - 6.9% |
| Total Sales | 26 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 25 | 17.4% | 16.3 - 18.4% |
| Meat | 25 | 23.4% | 22.3 - 25.5% |
| Produce | 25 | 31.8% | 29.3 - 33.9% |
| Total Gross Margin | 24 | 19.6% | 18.6 - 20.9% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 24 | 8.1% | 7.4 - 8.7% |
| Benefits | 24 | 1.4% | 0.8 - 1.9% |
| Total Store Labor Expense | 24 | 9.4% | 8.9 - 10.0% |
| Advertising & Promotion | 24 | 1.1% | 0.9 - 1.4% |
| Occupancy (Excluding Utilities) | 24 | 1.6% | 1.0 - 2.0% |
| Utilities | 24 | 1.6% | 1.3 - 1.9% |
| Maintenance | 24 | 0.6% | 0.4 - 0.9% |
| Store Supplies | 24 | 1.3% | 1.2 - 1.4% |
| Interest | 24 | 0.3% | 0.1 - 0.4% |
| Other | 24 | 1.4% | 0.3 - 2.6% |
| Total Operating Expenses | 24 | 17.4% | 16.2 - 18.3% |
| Profit Before Tax | 24 | 2.2% | 0.4 - 3.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - SOUTHEAST REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 26 | $72.28 | $66.22 - 77.37 |
| Gross Margin per Labor Hour | 26 | $14.48 | $12.78 - 15.58 |
| Profit Before Tax per Labor Hour | 26 | $1.09 | $0.35 - 2.90 |
| Sales per Labor Dollar | 26 | $12.59 | $11.62 - 13.44 |
| Gross Margin per Labor Dollar | 26 | $2.39 | $2.22 - 2.71 |
| Transactions per Labor Hour | 25 | 6.0 | 5.3 - 8.6 |
| Payroll per Labor Hour | 26 | $5.61 | $5.29 - 6.09 |
| Benefits per Labor Hour | 25 | $1.23 | $0.54 - 1.38 |
| Payroll to Total Expenses | 26 | 46.1% | 44.3 - 48.3% |
| Benefits to Total Expenses | 25 | 8.9% | 4.1 - 11.2% |
| Payroll per Hour of Operation | 26 | $74.14 | $50.50 - 112.44 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 26 | 16,504 | 12,000 - 19,600 |
| Weekly Sales per Square Foot | 26 | $5.25 | $4.37 - 7.06 |
| Weekly Gross Margin per Square Foot | 26 | $1.03 | $0.81 - 1.45 |
| Weekly Profit Before Tax per Sq Ft | 26 | $0.09 | $0.03 - 0.22 |
| **Selling Area:** | | | |
| Average Square Footage | 26 | 12,550 | 9,250 - 15,500 |
| Weekly Sales per Square Foot | 26 | $6.97 | $5.79 - 9.76 |
| Weekly Gross Margin per Square Foot | 26 | $1.31 | $1.06 - 1.98 |
| Weekly Profit Before Tax per Sq Ft | 26 | $0.12 | $0.04 - 0.29 |
| Average Weekly Sales per Store | 26 | $91,233 | $73,687 - 127,057 |
| Number of Checkouts | 26 | 5 | 5 - 7 |
| Weekly Sales per Checkout | 26 | $17,519 | $14,245 - 19,993 |
| Weekly Transactions per Checkout | 25 | 1,575 | 1,281 - 1,875 |
| Selling Square Footage per Checkout | 26 | 2,325 | 2,117 - 2,563 |
| Occupancy Cost (incl utilities) per Sq Ft | 26 | $9.11 | $5.62 - 11.86 |
| Occupancy Cost (incl util) to Total Expense | 26 | 17.8% | 15.0 - 21.1% |
| Weekly Transactions per Sq Ft of Selling Area | 25 | 0.65 | 0.53 - 0.80 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 25 | 6.46 | 5.12 - 7.79 |
| Percentage of Selling Area to Total Area | 26 | 76.1% | 71.0 - 83.2% |
| Inventory Dollars per Sq Ft of Selling Area | 23 | $20.39 | $17.26 - 25.76 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - SOUTHEAST REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 25 | 17.1% | 16.3 - 18.1% |
| Meat | 25 | 21.0% | 19.8 - 22.6% |
| Produce | 25 | 31.8% | 29.3 - 33.9% |
| General Merchandise/HaBA | 8 | 20.8% | 17.2 - 25.6% |
| Beer/Wine | 15 | 15.0% | 12.2 - 17.1% |
| Service Deli | 16 | 36.4% | 35.5 - 39.9% |
| Scratch/Bake-Off Bakery | 5 | 35.1% | |
| Frozen Food | 19 | 20.9% | 17.7 - 24.1% |
| Dairy | 19 | 19.1% | 17.8 - 20.0% |
| Other | 5 | 18.9% | |
| Total Gross Margin | 24 | 19.6% | 18.6 - 20.9% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 23 | 11.4X | 9.3 - 13.0X |
| Meat | 23 | 40.6X | 37.2 - 48.1X |
| Produce | 23 | 52.7X | 43.6 - 68.9X |
| General Merchandise/HaBA | 7 | 5.0X | 4.4 - 7.3X |
| Beer/Wine | 15 | 12.5X | 10.4 - 14.0X |
| Service Deli | 14 | 23.1X | 16.5 - 26.9X |
| Scratch/Bake-Off Bakery | 5 | 11.8X | |
| Frozen Food | 19 | 14.9X | 11.3 - 18.7X |
| Dairy | 18 | 40.5X | 31.1 - 44.2X |
| Other | 5 | 13.5X | |
| Total Inventory Turnover | 23 | 15.4X | 12.4 - 18.2X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 23 | 225.5% | 181.7 - 295.9% |
| Meat | 23 | 1,037.9% | 921.0 - 1,351.7% |
| Produce | 23 | 2,699.4% | 1,961.4 - 3,286.4% |
| General Merchandise/HaBA | 7 | 113.4% | 89.1 - 221.6% |
| Beer/Wine | 15 | 173.7% | 152.8 - 273.2% |
| Service Deli | 14 | 1,319.6% | 906.8 - 1,690.9% |
| Scratch/Bake-Off Bakery | 5 | 733.3% | |
| Frozen Food | 19 | 432.3% | 305.0 - 485.4% |
| Dairy | 18 | 976.6% | 660.4 - 1,162.5% |
| Other | 5 | 285.7% | |
| Total GMROI | 23 | 370.8% | 284.4 - 452.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - SOUTHEAST REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 26 | 70.9% | 68.1 - 74.6% |
| Meat | 26 | 22.6% | 18.9 - 25.6% |
| Produce | 26 | 6.5% | 5.6 - 6.9% |
| Total Sales | 26 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 25 | 17.4% | 16.3 - 18.4% |
| Meat | 25 | 23.4% | 22.3 - 25.5% |
| Produce | 25 | 31.8% | 29.3 - 33.9% |
| Total Gross Margin | 24 | 19.6% | 18.6 - 20.9% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 23 | 12.0X | 10.0 - 14.5X |
| Meat | 23 | 36.5X | 30.2 - 44.8X |
| Produce | 23 | 52.7X | 43.6 - 68.9X |
| Total Inventory Turnover | 23 | 15.4X | 12.4 - 18.2X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 23 | 253.2% | 197.2 - 329.4% |
| Meat | 23 | 1,237.3% | 896.1 - 1,426.2% |
| Produce | 23 | 2,699.4% | 1,961.4 - 3,286.4% |
| Total GMROI | 23 | 370.8% | 284.4 - 452.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEST SOUTH CENTRAL

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 11 | 8.6% | 5.0 - 13.9% |
| Average Transaction Size | 8 | $11.56 | $10.90 - 14.47 |
| Store Sales per Hour of Operation | 11 | $988 | $670 - 1,267 |
| **Distribution of Sales:** | | | |
| Grocery | 13 | 55.2% | 46.9 - 62.5% |
| Meat | 13 | 17.9% | 16.7 - 18.6% |
| Produce | 13 | 6.7% | 6.3 - 7.0% |
| General Merchandise/HaBA | 13 | 7.0% | 3.6 - 7.6% |
| Beer/Wine | 13 | 1.1% | 0.0 - 0.0% |
| Service Deli | 13 | 0.9% | 0.0 - 1.5% |
| Scratch/ Bake-Off Bakery | 13 | 1.2% | 0.0 - 2.0% |
| Frozen Food | 13 | 2.9% | 0.0 - 4.3% |
| Dairy | 13 | 5.9% | 0.0 - 9.8% |
| Other | 13 | 1.2% | 0.0 - 0.9% |
| Total | 13 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 13 | 74.4% | 72.0 - 76.7% |
| Meat | 13 | 18.8% | 16.8 - 19.8% |
| Produce | 13 | 6.7% | 6.3 - 7.0% |
| Total Sales | 13 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 11 | 20.1% | 19.0 - 21.0% |
| Meat | 11 | 22.3% | 19.6 - 24.7% |
| Produce | 11 | 28.2% | 25.1 - 30.9% |
| Total Gross Margin | 11 | 21.1% | 20.0 - 21.7% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 11 | 8.6% | 7.7 - 9.1% |
| Benefits | 11 | 0.8% | 0.2 - 1.2% |
| Total Store Labor Expense | 11 | 9.4% | 8.4 - 10.4% |
| Advertising & Promotion | 11 | 1.5% | 0.3 - 2.4% |
| Occupancy (Excluding Utilities) | 11 | 1.9% | 1.3 - 2.4% |
| Utilities | 11 | 1.3% | 1.2 - 1.5% |
| Maintenance | 11 | 0.7% | 0.5 - 1.0% |
| Store Supplies | 11 | 0.9% | 0.7 - 1.2% |
| Interest | 11 | 0.5% | 0.3 - 0.8% |
| Other | 11 | 3.0% | 2.0 - 4.6% |
| Total Operating Expenses | 11 | 19.3% | 17.4 - 21.8% |
| Profit Before Tax | 11 | 1.8% | 0.0 - 3.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEST SOUTH CENTRAL

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 10 | $83.33 | $70.14 - 89.30 |
| Gross Margin per Labor Hour | 8 | $16.47 | $15.50 - 17.99 |
| Profit Before Tax per Labor Hour | 8 | $1.02 | $0.55 - 2.73 |
| Sales per Labor Dollar | 13 | $11.50 | $11.37 - 13.01 |
| Gross Margin per Labor Dollar | 11 | $2.50 | $2.38 - 2.70 |
| Transactions per Labor Hour | 7 | 5.9 | 5.0 - 6.4 |
| Payroll per Labor Hour | 10 | $6.43 | $6.22 - 6.75 |
| Benefits per Labor Hour | 10 | $0.72 | $0.30 - 0.77 |
| Payroll to Total Expenses | 13 | 45.9% | 42.4 - 49.5% |
| Benefits to Total Expenses | 12 | 5.7% | 2.3 - 6.5% |
| Payroll per Hour of Operation | 11 | $72.21 | $55.60 - 124.80 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 14 | 22,500 | 17,250 - 25,500 |
| Weekly Sales per Square Foot | 13 | $5.07 | $4.50 - 7.75 |
| Weekly Gross Margin per Square Foot | 11 | $1.00 | $0.93 - 1.15 |
| Weekly Profit Before Tax per Sq Ft | 11 | $0.07 | $0.00 - 0.19 |
| **Selling Area:** | | | |
| Average Square Footage | 14 | 16,500 | 14,233 - 19,500 |
| Weekly Sales per Square Foot | 13 | $6.36 | $5.61 - 9.90 |
| Weekly Gross Margin per Square Foot | 11 | $1.37 | $1.12 - 1.53 |
| Weekly Profit Before Tax per Sq Ft | 11 | $0.08 | $0.00 - 0.22 |
| Average Weekly Sales per Store | 13 | $108,137 | $70,738 - 186,032 |
| Number of Checkouts | 14 | 6 | 5 - 8 |
| Weekly Sales per Checkout | 13 | $20,358 | $17,685 - 23,254 |
| Weekly Transactions per Checkout | 8 | 1,561 | 1,470 - 1,785 |
| Selling Square Footage per Checkout | 13 | 2,888 | 2,250 - 3,125 |
| Occupancy Cost (incl utilities) per Sq Ft | 13 | $9.23 | $7.17 - 11.07 |
| Occupancy Cost (incl util) to Total Expense | 13 | 16.5% | 15.1 - 20.3% |
| Weekly Transactions per Sq Ft of Selling Area | 8 | 0.66 | 0.51 - 0.73 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 8 | 5.92 | 4.52 - 6.68 |
| Percentage of Selling Area to Total Area | 13 | 75.8% | 72.7 - 82.3% |
| Inventory Dollars per Sq Ft of Selling Area | 10 | $24.71 | $16.89 - 27.31 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEST SOUTH CENTRAL

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 11 | 19.7% | 17.6 - 20.1% |
| Meat | 11 | 21.3% | 19.2 - 23.8% |
| Produce | 11 | 28.2% | 25.1 - 30.9% |
| General Merchandise/HaBA | 8 | 24.3% | 22.5 - 26.6% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 0 | INSUFFICIENT DATA | |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 5 | 24.2% | |
| Dairy | 5 | 20.2% | |
| Other | 5 | 27.6% | |
| Total Gross Margin | 11 | 21.1% | 20.0 - 21.7% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 10 | 11.7X | 9.9 - 12.9X |
| Meat | 10 | 42.5X | 33.7 - 50.5X |
| Produce | 10 | 44.1X | 34.3 - 53.1X |
| General Merchandise/HaBA | 8 | 3.8X | 3.0 - 4.8X |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 0 | INSUFFICIENT DATA | |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 5 | 11.9X | |
| Dairy | 5 | 36.4X | |
| Other | 0 | INSUFFICIENT DATA | |
| Total Inventory Turnover | 10 | 12.7X | 10.7 - 15.0X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 10 | 277.8% | 246.9 - 297.1% |
| Meat | 10 | 1,015.6% | 913.8 - 1,377.9% |
| Produce | 10 | 1,667.6% | 1,451.3 - 2,070.5% |
| General Merchandise/HaBA | 8 | 115.2% | 101.6 - 150.3% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 0 | INSUFFICIENT DATA | |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 5 | 420.1% | |
| Dairy | 5 | 895.3% | |
| Other | 0 | INSUFFICIENT DATA | |
| Total GMROI | 10 | 322.7% | 285.7 - 372.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, [illegible]

CONVENTIONAL SUPERMARKETS - - WEST SOUTH CENTRAL

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 13 | 74.4% | 72.0 - 76.7% |
| Meat | 13 | 18.8% | 16.[illegible] - 19.8% |
| Produce | 13 | 6.7% | 6.3 - 7.0% |
| Total Sales | 13 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 11 | 20.1% | 19.0 - 21.0% |
| Meat | 11 | 22.3% | 19.6 - 24.7% |
| Produce | 11 | 28.2% | 25.1 - 30.9% |
| Total Gross Margin | 11 | 21.1% | 20.0 - 21.7% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 10 | 10.6X | 8.7 - 12.5X |
| Meat | 10 | 39.3X | 33.7 - 45.6X |
| Produce | 10 | 44.1X | 34.3 - 53.1X |
| Total Inventory Turnover | 10 | 12.7X | 10.7 - 15.0X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 10 | 263.4% | 219.8 - 313.9% |
| Meat | 10 | 1,060.4% | 913.8 - 1,416.6% |
| Produce | 10 | 1,667.6% | 1,451.3 - 2,070.5% |
| Total GMROI | 10 | 322.7% | 285.7 - 372.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MOUNTAIN REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 10 | 5.4% | 2.2 - 11.1% |
| Average Transaction Size | 7 | $17.08 | $13.71 - 18.66 |
| Store Sales per Hour of Operation | 11 | $1,750 | $984 - 1,943 |
| **Distribution of Sales:** | | | |
| Grocery | 11 | 58.1% | 49.6 - 67.5% |
| Meat | 11 | 15.0% | 11.4 - 16.2% |
| Produce | 11 | 9.7% | 8.7 - 10.5% |
| General Merchandise/HaBA | 11 | 2.8% | 0.0 - 5.1% |
| Beer/Wine | 11 | 2.5% | 0.0 - 2.4% |
| Service Deli | 11 | 3.3% | 1.0 - 4.9% |
| Scratch/ Bake-Off Bakery | 11 | 2.1% | 0.2 - 3.5% |
| Frozen Food | 11 | 1.4% | 0.0 - 2.3% |
| Dairy | 11 | 1.5% | 0.0 - 2.3% |
| Other | 11 | 3.7% | 0.0 - 6.6% |
| Total | 11 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 11 | 72.1% | 69.5 - 75.2% |
| Meat | 11 | 18.2% | 15.9 - 19.0% |
| Produce | 11 | 9.7% | 8.7 - 10.5% |
| Total Sales | 11 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 10 | 22.2% | 20.2 - 23.1% |
| Meat | 10 | 25.8% | 21.8 - 29.0% |
| Produce | 10 | 30.7% | 28.4 - 32.8% |
| Total Gross Margin | 11 | 24.3% | 22.3 - 25.4% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 11 | 9.3% | 7.3 - 10.3% |
| Benefits | 11 | 1.4% | 0.8 - 1.5% |
| Total Store Labor Expense | 11 | 10.7% | 8.1 - 13.4% |
| Advertising & Promotion | 11 | 1.3% | 0.8 - 1.7% |
| Occupancy (Excluding Utilities) | 11 | 2.4% | 1.6 - 2.9% |
| Utilities | 11 | 0.9% | 0.6 - 1.1% |
| Maintenance | 11 | 0.8% | 0.5 - 0.8% |
| Store Supplies | 11 | 0.9% | 0.5 - 1.0% |
| Interest | 11 | 0.5% | 0.1 - 0.5% |
| Other | 11 | 4.9% | 2.4 - 6.5% |
| Total Operating Expenses | 11 | 22.3% | 19.4 - 26.1% |
| Profit Before Tax | 11 | 1.9% | 0.2 - 2.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MOUNTAIN REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 7 | $91.36 | $84.70 - 99.53 |
| Gross Margin per Labor Hour | 7 | $21.59 | $19.27 - 26.04 |
| Profit Before Tax per Labor Hour | 7 | $2.67 | $0.68 - 4.41 |
| Sales per Labor Dollar | 11 | $11.48 | $9.83 - 13.71 |
| Gross Margin per Labor Dollar | 11 | $2.87 | $2.30 - 3.10 |
| Transactions per Labor Hour | 7 | 5.0 | 4.6 - 6.6 |
| Payroll per Labor Hour | 7 | $7.48 | $6.85 - 8.13 |
| Benefits per Labor Hour | 7 | $1.20 | $0.77 - 1.36 |
| Payroll to Total Expenses | 11 | 41.5% | 34.5 - 49.5% |
| Benefits to Total Expenses | 11 | 5.1% | 3.9 - 6.7% |
| Payroll per Hour of Operation | 11 | $154.96 | $98.30 - 168.60 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 11 | 20,000 | 11,500 - 26,250 |
| Weekly Sales per Square Foot | 11 | $8.01 | $6.50 - 9.32 |
| Weekly Gross Margin per Square Foot | 11 | $1.74 | $1.51 - 2.10 |
| Weekly Profit Before Tax per Sq Ft | 11 | $0.10 | $0.02 - 0.36 |
| **Selling Area:** | | | |
| Average Square Footage | 11 | 18,000 | 9,000 - 20,500 |
| Weekly Sales per Square Foot | 11 | $10.30 | $8.39 - 12.78 |
| Weekly Gross Margin per Square Foot | 11 | $2.23 | $1.98 - 3.03 |
| Weekly Profit Before Tax per Sq Ft | 11 | $0.12 | $0.02 - 0.42 |
| Average Weekly Sales per Store | 11 | $135,402 | $101,396 - 220,078 |
| Number of Checkouts | 7 | 5 | 5 - 6 |
| Weekly Sales per Checkout | 7 | $27,032 | $16,522 - 27,244 |
| Weekly Transactions per Checkout | 6 | 1,459 | |
| Selling Square Footage per Checkout | 7 | 2,400 | 1,813 - 2,598 |
| Occupancy Cost (incl utilities) per Sq Ft | 11 | $13.05 | $8.72 - 17.45 |
| Occupancy Cost (incl util) to Total Expense | 11 | 14.5% | 13.2 - 16.4% |
| Weekly Transactions per Sq Ft of Selling Area | 7 | 0.68 | 0.53 - 0.83 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 7 | 7.21 | 6.37 - 8.32 |
| Percentage of Selling Area to Total Area | 11 | 80.0% | 69.4 - 85.3% |
| Inventory Dollars per Sq Ft of Selling Area | 11 | $25.16 | $22.85 - 29.49 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - MOUNTAIN REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 11 | 20.7% | 18.8 - 21.4% |
| Meat | 11 | 23.1% | 20.8 - 23.7% |
| Produce | 11 | 31.3% | 29.1 - 33.5% |
| General Merchandise/HaBA | 5 | 28.1% | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 9 | 36.1% | 26.1 - 44.5% |
| Scratch/Bake-Off Bakery | 8 | 44.7% | 32.0 - 62.4% |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 6 | 26.9% | |
| Total Gross Margin | 11 | 24.3% | 22.3 - 25.4% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 11 | 16.1X | 11.7 - 18.6X |
| Meat | 11 | 41.2X | 26.5 - 57.8X |
| Produce | 11 | 47.3X | 32.1 - 80.8X |
| General Merchandise/HaBA | 5 | 9.0X | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 9 | 23.4X | 15.8 - 24.2X |
| Scratch/Bake-Off Bakery | 8 | 16.5X | 6.6 - 23.9X |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 5 | 9.8X | |
| Total Inventory Turnover | 11 | 16.6X | 13.9 - 18.0X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 11 | 406.6% | 342.0 - 435.4% |
| Meat | 11 | 1,041.1% | 818.2 - 1,712.6% |
| Produce | 11 | 1,722.7% | 1,632.9 - 3,506.8% |
| General Merchandise/HaBA | 5 | 353.9% | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 9 | 1,500.1% | 521.4 - 1,608.7% |
| Scratch/Bake-Off Bakery | 8 | 1,402.3% | 736.5 - 2,148.6% |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 5 | 223.4% | |
| Total GMROI | 11 | 524.1% | 431.7 - 604.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MOUNTAIN REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 11 | 72.1% | 69.5 - 75.2% |
| Meat | 11 | 18.2% | 15.9 - 19.0% |
| Produce | 11 | 9.7% | 8.7 - 10.5% |
| Total Sales | 11 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 10 | 22.2% | 20.2 - 23.1% |
| Meat | 10 | 25.8% | 21.8 - 29.0% |
| Produce | 10 | 30.7% | 28.4 - 32.8% |
| Total Gross Margin | 11 | 24.3% | 22.3 - 25.4% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 10 | 14.5X | 10.7 - 15.4X |
| Meat | 10 | 31.5X | 27.5 - 47.0X |
| Produce | 10 | 46.0X | 31.7 - 83.6X |
| Total Inventory Turnover | 11 | 16.6X | 13.9 - 18.0X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 10 | 396.4% | 321.5 - 443.2% |
| Meat | 10 | 1,156.5% | 895.1 - 1,471.4% |
| Produce | 10 | 1,721.3% | 1,620.8 - 3,489.0% |
| Total GMROI | 11 | 524.1% | 431.7 - 604.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - PACIFIC REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 10 | 6.7% | 4.8 - 19.1% |
| Average Transaction Size | 10 | $14.44 | $12.37 - 17.03 |
| Store Sales per Hour of Operation | 10 | $1,702 | $1,138 - 2,098 |
| **Distribution of Sales:** | | | |
| Grocery | 10 | 56.2% | 47.7 - 68.6% |
| Meat | 10 | 12.3% | 10.1 - 16.3% |
| Produce | 10 | 10.9% | 8.7 - 14.0% |
| General Merchandise/HaBA | 10 | 7.6% | 5.4 - 10.3% |
| Beer/Wine | 10 | 2.5% | 0.0 - 4.1% |
| Service Deli | 10 | 4.5% | 2.2 - 5.9% |
| Scratch/ Bake-Off Bakery | 10 | 1.3% | 0.0 - 2.0% |
| Frozen Food | 10 | 2.6% | 0.0 - 0.0% |
| Dairy | 10 | 0.0% | 0.0 - 0.0% |
| Other | 10 | 2.2% | 0.1 - 3.4% |
| Total | 10 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 10 | 72.3% | 63.6 - 77.8% |
| Meat | 10 | 16.8% | 13.8 - 20.9% |
| Produce | 10 | 10.9% | 8.7 - 14.0% |
| Total Sales | 10 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 10 | 26.6% | 25.5 - 28.8% |
| Meat | 10 | 32.0% | 28.8 - 36.2% |
| Produce | 10 | 32.5% | 30.2 - 34.8% |
| Total Gross Margin | 10 | 28.3% | 26.1 - 30.4% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 10 | 10.7% | 10.1 - 12.3% |
| Benefits | 10 | 2.8% | 2.1 - 3.8% |
| Total Store Labor Expense | 10 | 13.5% | 12.5 - 15.7% |
| Advertising & Promotion | 10 | 0.7% | 0.5 - 0.9% |
| Occupancy (Excluding Utilities) | 10 | 1.9% | 1.2 - 2.9% |
| Utilities | 10 | 1.1% | 1.0 - 1.2% |
| Maintenance | 10 | 0.5% | 0.2 - 0.6% |
| Store Supplies | 10 | 1.1% | 0.8 - 1.3% |
| Interest | 10 | 0.3% | 0.2 - 0.3% |
| Other | 10 | 5.1% | 2.8 - 4.4% |
| Total Operating Expenses | 10 | 24.2% | 21.9 - 27.1% |
| Profit Before Tax | 10 | 4.1% | 3.1 - 4.8% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - PACIFIC REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 9 | $85.45 | $77.96 - 101.46 |
| Gross Margin per Labor Hour | 9 | $25.40 | $21.32 - 26.52 |
| Profit Before Tax per Labor Hour | 9 | $3.44 | $2.46 - 4.75 |
| Sales per Labor Dollar | 10 | $9.65 | $8.16 - 9.87 |
| Gross Margin per Labor Dollar | 10 | $2.48 | $2.28 - 2.62 |
| Transactions per Labor Hour | 9 | 6.4 | 5.8 - 8.7 |
| Payroll per Labor Hour | 9 | $10.00 | $8.53 - 10.71 |
| Benefits per Labor Hour | 9 | $3.18 | $1.66 - 3.30 |
| Payroll to Total Expenses | 10 | 46.4% | 45.4 - 48.2% |
| Benefits to Total Expenses | 10 | 13.2% | 9.0 - 15.1% |
| Payroll per Hour of Operation | 10 | $160.60 | $103.15 - 215.36 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 10 | 20,500 | 16,500 - 22,000 |
| Weekly Sales per Square Foot | 10 | $7.92 | $6.34 - 12.90 |
| Weekly Gross Margin per Square Foot | 10 | $2.20 | $1.78 - 3.28 |
| Weekly Profit Before Tax per Sq Ft | 10 | $0.28 | $0.19 - 0.59 |
| **Selling Area:** | | | |
| Average Square Footage | 10 | 16,500 | 12,750 - 17,750 |
| Weekly Sales per Square Foot | 10 | $10.34 | $7.27 - 15.56 |
| Weekly Gross Margin per Square Foot | 10 | $2.89 | $1.99 - 3.96 |
| Weekly Profit Before Tax per Sq Ft | 10 | $0.31 | $0.26 - 0.64 |
| Average Weekly Sales per Store | 10 | $184,401 | $138,702 - 204,856 |
| Number of Checkouts | 10 | 6 | 6 - 8 |
| Weekly Sales per Checkout | 10 | $26,770 | $21,804 - 29,982 |
| Weekly Transactions per Checkout | 10 | 1,909 | 1,628 - 2,124 |
| Selling Square Footage per Checkout | 10 | 2,583 | 2,013 - 2,975 |
| Occupancy Cost (incl utilities) per Sq Ft | 10 | $12.76 | $9.23 - 17.50 |
| Occupancy Cost (incl util) to Total Expense | 10 | 11.9% | 9.0 - 15.3% |
| Weekly Transactions per Sq Ft of Selling Area | 10 | 0.92 | 0.63 - 1.08 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 10 | 8.30 | 6.13 - 9.64 |
| Percentage of Selling Area to Total Area | 10 | 81.4% | 75.0 - 84.6% |
| Inventory Dollars per Sq Ft of Selling Area | 10 | $24.50 | $18.80 - 30.79 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - PACIFIC REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 10 | 25.1% | 22.6 - 28.0% |
| Meat | 10 | 27.5% | 21.4 - 31.2% |
| Produce | 10 | 32.5% | 30.2 - 34.8% |
| General Merchandise/HaBA | 7 | 34.1% | 30.2 - 36.3% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 8 | 46.8% | 41.7 - 48.2% |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 7 | 40.5% | 25.1 - 56.6% |
| Total Gross Margin | 10 | 28.3% | 26.1 - 30.4% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 10 | 14.2X | 12.1 - 24.5X |
| Meat | 10 | 52.8X | 31.3 - 72.2X |
| Produce | 10 | 63.2X | 30.3 - 79.3X |
| General Merchandise/HaBA | 7 | 6.2X | 5.0 - 9.1X |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 6 | 27.5X | |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 7 | 9.1X | 3.6 - 34.6X |
| Total Inventory Turnover | 10 | 14.7X | 10.9 - 23.3X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 10 | 514.2% | 371.9 - 726.0% |
| Meat | 10 | 1,729.7% | 855.2 - 2,788.0% |
| Produce | 10 | 2,860.4% | 1,510.3 - 3,602.1% |
| General Merchandise/HaBA | 7 | 298.3% | 237.4 - 408.2% |
| Beer/Wine | 5 | 126.7% | |
| Service Deli | 6 | 2,117.7% | |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 7 | 426.2% | 378.6 - 816.2% |
| Total GMROI | 10 | 575.5% | 408.8 - 849.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - PACIFIC REGION

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 10 | 72.3% | 63.6 - 77.8% |
| Meat | 10 | 16.8% | 13.8 - 20.9% |
| Produce | 10 | 10.9% | 8.7 - 14.0% |
| Total Sales | 10 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 10 | 26.6% | 25.5 - 28.8% |
| Meat | 10 | 32.0% | 28.8 - 36.2% |
| Produce | 10 | 32.5% | 30.2 - 34.8% |
| Total Gross Margin | 10 | 28.3% | 26.1 - 30.4% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 10 | 11.5X | 9.4 - 18.7X |
| Meat | 10 | 43.3X | 29.4 - 63.5X |
| Produce | 10 | 63.2X | 30.3 - 79.3X |
| Total Inventory Turnover | 10 | 14.7X | 10.9 - 23.3X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 10 | 425.4% | 341.9 - 616.0% |
| Meat | 10 | 1,827.2% | 1,049.6 - 3,656.1% |
| Produce | 10 | 2,860.4% | 1,510.3 - 3,602.1% |
| Total GMROI | 10 | 575.5% | 408.8 - 849.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - WEEKLY SALES UNDER $70,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 30 | 4.3% | -2.2 - 13.8% |
| Average Transaction Size | 30 | $10.51 | $8.79 - 12.51 |
| Store Sales per Hour of Operation | 34 | $552 | $421 - 663 |
| **Distribution of Sales:** | | | |
| Grocery | 32 | 56.3% | 46.8 - 64.8% |
| Meat | 32 | 18.4% | 14.6 - 21.3% |
| Produce | 32 | 6.4% | 5.3 - 7.1% |
| General Merchandise/HaBA | 32 | 1.8% | 0.0 - 3.1% |
| Beer/Wine | 32 | 1.3% | 0.0 - 2.8% |
| Service Deli | 32 | 2.2% | 0.0 - 3.7% |
| Scratch/ Bake-Off Bakery | 32 | 0.4% | 0.0 - 0.2% |
| Frozen Food | 32 | 3.6% | 0.0 - 5.7% |
| Dairy | 32 | 6.6% | 0.0 - 10.0% |
| Other | 32 | 3.0% | 0.0 - 5.6% |
| Total | 32 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 32 | 73.0% | 70.1 - 77.2% |
| Meat | 32 | 20.6% | 17.0 - 22.9% |
| Produce | 32 | 6.4% | 5.3 - 7.1% |
| Total Sales | 32 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 29 | 20.5% | 19.6 - 21.3% |
| Meat | 29 | 21.9% | 19.7 - 24.1% |
| Produce | 29 | 29.7% | 26.5 - 31.7% |
| Total Gross Margin | 32 | 21.8% | 20.7 - 22.1% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 32 | 8.9% | 7.9 - 9.3% |
| Benefits | 32 | 0.8% | 0.5 - 1.0% |
| Total Store Labor Expense | 32 | 9.7% | 8.7 - 10.3% |
| Advertising & Promotion | 32 | 1.5% | 1.1 - 1.9% |
| Occupancy (Excluding Utilities) | 32 | 1.6% | 0.9 - 2.0% |
| Utilities | 32 | 1.5% | 1.1 - 1.8% |
| Maintenance | 32 | 0.6% | 0.4 - 0.7% |
| Store Supplies | 32 | 1.1% | 1.0 - 1.3% |
| Interest | 32 | 0.7% | 0.1 - 1.0% |
| Other | 32 | 4.0% | 2.8 - 5.1% |
| Total Operating Expenses | 32 | 20.7% | 18.8 - 21.8% |
| Profit Before Tax | 32 | 1.1% | 0.1 - 2.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEEKLY SALES UNDER $70,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 31 | $73.81 | $67.19 - 85.47 |
| Gross Margin per Labor Hour | 29 | $16.03 | $14.68 - 16.90 |
| Profit Before Tax per Labor Hour | 29 | $0.88 | $0.06 - 1.54 |
| Sales per Labor Dollar | 32 | $11.73 | $10.78 - 12.68 |
| Gross Margin per Labor Dollar | 32 | $2.49 | $2.26 - 2.67 |
| Transactions per Labor Hour | 28 | 7.2 | 5.6 - 9.3 |
| Payroll per Labor Hour | 29 | $6.39 | $5.39 - 7.33 |
| Benefits per Labor Hour | 28 | $0.55 | $0.36 - 0.84 |
| Payroll to Total Expenses | 32 | 42.0% | 40.2 - 44.4% |
| Benefits to Total Expenses | 30 | 3.4% | 2.5 - 5.5% |
| Payroll per Hour of Operation | 32 | $45.85 | $36.00 - 61.53 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 34 | 10,184 | 8,125 - 13,850 |
| Weekly Sales per Square Foot | 34 | $4.67 | $3.97 - 5.87 |
| Weekly Gross Margin per Square Foot | 32 | $1.00 | $0.84 - 1.37 |
| Weekly Profit Before Tax per Sq Ft | 32 | $0.06 | $0.00 - 0.12 |
| **Selling Area:** | | | |
| Average Square Footage | 34 | 8,000 | 6,500 - 10,750 |
| Weekly Sales per Square Foot | 34 | $5.64 | $5.07 - 7.95 |
| Weekly Gross Margin per Square Foot | 32 | $1.25 | $1.05 - 1.80 |
| Weekly Profit Before Tax per Sq Ft | 32 | $0.07 | $0.00 - 0.17 |
| Average Weekly Sales per Store | 34 | $52,424 | $42,411 - 63,133 |
| Number of Checkouts | 34 | 4 | 3 - 4 |
| Weekly Sales per Checkout | 34 | $14,138 | $12,419 - 16,127 |
| Weekly Transactions per Checkout | 30 | 1,335 | 1,144 - 1,653 |
| Selling Square Footage per Checkout | 34 | 2,378 | 1,881 - 2,825 |
| Occupancy Cost (incl utilities) per Sq Ft | 31 | $7.61 | $6.02 - 9.22 |
| Occupancy Cost (incl util) to Total Expense | 31 | 15.2% | 13.2 - 17.5% |
| Weekly Transactions per Sq Ft of Selling Area | 30 | 0.63 | 0.49 - 0.75 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 30 | 6.31 | 5.09 - 8.10 |
| Percentage of Selling Area to Total Area | 34 | 79.8% | 75.0 - 83.3% |
| Inventory Dollars per Sq Ft of Selling Area | 30 | $18.25 | $15.49 - 21.68 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - WEEKLY SALES UNDER $70,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 30 | 20.2% | 18.4 - 22.0% |
| Meat | 30 | 20.0% | 17.5 - 22.1% |
| Produce | 30 | 30.0% | 26.6 - 31.9% |
| General Merchandise/HaBA | 17 | 21.6% | 17.3 - 25.0% |
| Beer/Wine | 12 | 21.8% | 21.3 - 23.5% |
| Service Deli | 13 | 41.2% | 35.0 - 45.6% |
| Scratch/Bake-Off Bakery | 8 | 30.4% | 24.7 - 38.8% |
| Frozen Food | 20 | 26.9% | 24.8 - 28.7% |
| Dairy | 20 | 20.8% | 19.0 - 21.8% |
| Other | 13 | 37.8% | 14.6 - 23.8% |
| Total Gross Margin | 32 | 21.8% | 20.7 - 22.1% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 30 | 11.1X | 9.1 - 12.5X |
| Meat | 30 | 38.9X | 30.2 - 47.2X |
| Produce | 30 | 50.2X | 39.0 - 70.8X |
| General Merchandise/HaBA | 16 | 4.2X | 3.6 - 4.7X |
| Beer/Wine | 12 | 11.2X | 8.9 - 14.6X |
| Service Deli | 13 | 28.4X | 15.8 - 33.5X |
| Scratch/Bake-Off Bakery | 8 | 17.0X | 14.1 - 32.0X |
| Frozen Food | 20 | 12.1X | 10.3 - 14.6X |
| Dairy | 19 | 35.8X | 31.5 - 40.5X |
| Other | 12 | 14.7X | 9.0 - 17.9X |
| Total Inventory Turnover | 30 | 13.7X | 12.4 - 15.3X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 30 | 267.3% | 230.4 - 322.8% |
| Meat | 30 | 885.6% | 658.5 - 1,079.1% |
| Produce | 30 | 2,190.6% | 1,605.3 - 3,017.3% |
| General Merchandise/HaBA | 16 | 99.4% | 75.3 - 186.4% |
| Beer/Wine | 12 | 316.7% | 250.8 - 403.0% |
| Service Deli | 13 | 1,670.8% | 1,422.4 - 2,558.0% |
| Scratch/Bake-Off Bakery | 8 | 674.0% | 560.7 - 1,385.4% |
| Frozen Food | 20 | 450.9% | 372.9 - 523.9% |
| Dairy | 19 | 902.4% | 786.9 - 1,041.5% |
| Other | 12 | 315.3% | 271.9 - 414.2% |
| Total GMROI | 30 | 374.6% | 332.0 - 413.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEEKLY SALES UNDER $70,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 32 | 73.0% | 70.1 - 77.2% |
| Meat | 32 | 20.6% | 17.0 - 22.9% |
| Produce | 32 | 6.4% | 5.3 - 7.1% |
| Total Sales | 32 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 29 | 20.5% | 19.6 - 21.3% |
| Meat | 29 | 21.9% | 19.7 - 24.1% |
| Produce | 29 | 29.7% | 26.5 - 31.7% |
| Total Gross Margin | 32 | 21.8% | 20.7 - 22.1% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 29 | 10.9X | 9.6 - 12.5X |
| Meat | 29 | 38.5X | 29.0 - 43.9X |
| Produce | 29 | 48.7X | 38.5 - 71.8X |
| Total Inventory Turnover | 30 | 13.7X | 12.4 - 15.3X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 29 | 290.5% | 264.0 - 328.5% |
| Meat | 29 | 984.7% | 759.9 - 1,257.0% |
| Produce | 29 | 2,154.7% | 1,592.1 - 2,800.5% |
| Total GMROI | 30 | 374.6% | 332.0 - 413.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEEKLY SALES $70,000 TO $125,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 51 | 5.1% | 2.2 - 8.3% |
| Average Transaction Size | 50 | $12.58 | $10.65 - 14.13 |
| Store Sales per Hour of Operation | 56 | $919 | $770 - 1,141 |
| Distribution of Sales: | | | |
| Grocery | 56 | 55.2% | 47.6 - 65.0% |
| Meat | 56 | 16.3% | 13.6 - 17.6% |
| Produce | 56 | 7.1% | 5.7 - 7.9% |
| General Merchandise/HaBA | 56 | 2.5% | 0.0 - 3.7% |
| Beer/Wine | 56 | 1.4% | 0.0 - 1.7% |
| Service Deli | 56 | 3.7% | 1.3 - 5.4% |
| Scratch/ Bake-Off Bakery | 56 | 1.2% | 0.0 - 2.3% |
| Frozen Food | 56 | 4.1% | 0.0 - 6.3% |
| Dairy | 56 | 6.4% | 0.0 - 9.9% |
| Other | 56 | 2.2% | 0.0 - 1.5% |
| Total | 56 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| Sales: | | | |
| Grocery | 56 | 72.9% | 69.5 - 77.0% |
| Meat | 56 | 20.0% | 16.8 - 24.0% |
| Produce | 56 | 7.1% | 5.7 - 7.9% |
| Total Sales | 56 | 100.0% | 100.0 - 100.0% |
| Gross Margins: | | | |
| Grocery | 53 | 20.1% | 18.3 - 21.5% |
| Meat | 53 | 24.5% | 22.3 - 26.5% |
| Produce | 53 | 30.8% | 27.7 - 32.6% |
| Total Gross Margin | 51 | 21.8% | 20.0 - 23.2% |
| Operating Expenses: | | | |
| Store Labor: | | | |
| Regular | 51 | 9.2% | 8.0 - 10.0% |
| Benefits | 51 | 1.4% | 0.8 - 2.0% |
| Total Store Labor Expense | 51 | 10.6% | 9.6 - 11.5% |
| Advertising & Promotion | 51 | 1.2% | 0.9 - 1.6% |
| Occupancy (Excluding Utilities) | 51 | 1.7% | 1.2 - 2.1% |
| Utilities | 51 | 1.4% | 1.1 - 1.7% |
| Maintenance | 51 | 0.7% | 0.4 - 0.8% |
| Store Supplies | 51 | 1.2% | 1.0 - 1.4% |
| Interest | 51 | 0.4% | 0.1 - 0.6% |
| Other | 51 | 2.9% | 1.4 - 4.5% |
| Total Operating Expenses | 51 | 20.0% | 18.1 - 21.9% |
| Profit Before Tax | 51 | 1.8% | 0.2 - 3.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEEKLY SALES $70,000 TO $125,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 53 | $76.10 | $67.17 - 89.85 |
| Gross Margin per Labor Hour | 51 | $15.85 | $13.51 - 19.82 |
| Profit Before Tax per Labor Hour | 51 | $1.12 | $0.15 - 2.56 |
| Sales per Labor Dollar | 53 | $10.96 | $10.03 - 12.47 |
| Gross Margin per Labor Dollar | 53 | $2.34 | $2.11 - 2.62 |
| Transactions per Labor Hour | 48 | 6.4 | 5.2 - 7.4 |
| Payroll per Labor Hour | 51 | $6.70 | $6.01 - 8.17 |
| Benefits per Labor Hour | 49 | $1.10 | $0.60 - 1.43 |
| Payroll to Total Expenses | 53 | 46.5% | 43.2 - 49.6% |
| Benefits to Total Expenses | 51 | 6.5% | 4.0 - 9.7% |
| Payroll per Hour of Operation | 53 | $80.90 | $62.78 - 114.94 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 55 | 16,000 | 13,700 - 19,000 |
| Weekly Sales per Square Foot | 55 | $5.79 | $4.79 - 7.11 |
| Weekly Gross Margin per Square Foot | 53 | $1.23 | $1.01 - 1.54 |
| Weekly Profit Before Tax per Sq Ft | 52 | $0.09 | $0.01 - 0.19 |
| **Selling Area:** | | | |
| Average Square Footage | 56 | 12,000 | 9,873 - 14,500 |
| Weekly Sales per Square Foot | 56 | $7.75 | $6.33 - 9.46 |
| Weekly Gross Margin per Square Foot | 54 | $1.84 | $1.31 - 2.08 |
| Weekly Profit Before Tax per Sq Ft | 53 | $0.13 | $0.02 - 0.28 |
| Average Weekly Sales per Store | 56 | $94,768 | $81,222 - 107,204 |
| Number of Checkouts | 56 | 5 | 5 - 6 |
| Weekly Sales per Checkout | 56 | $18,466 | $16,387 - 20,286 |
| Weekly Transactions per Checkout | 50 | 1,493 | 1,369 - 1,738 |
| Selling Square Footage per Checkout | 56 | 2,286 | 1,950 - 2,617 |
| Occupancy Cost (incl utilities) per Sq Ft | 52 | $8.60 | $7.10 - 11.30 |
| Occupancy Cost (incl util) to Total Expense | 53 | 13.6% | 11.5 - 18.0% |
| Weekly Transactions per Sq Ft of Selling Area | 50 | 0.68 | 0.53 - 0.85 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 50 | 7.00 | 5.65 - 9.02 |
| Percentage of Selling Area to Total Area | 55 | 75.0% | 68.7 - 83.0% |
| Inventory Dollars per Sq Ft of Selling Area | 49 | $22.50 | $18.32 - 25.36 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - WEEKLY SALES $70,000 TO $125,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 53 | 19.2% | 17.0 - 21.6% |
| Meat | 53 | 21.4% | 19.9 - 22.1% |
| Produce | 53 | 30.8% | 27.7 - 32.6% |
| General Merchandise/HaBA | 28 | 25.7% | 24.2 - 28.9% |
| Beer/Wine | 18 | 18.7% | 14.4 - 22.1% |
| Service Deli | 40 | 38.6% | 34.4 - 42.3% |
| Scratch/Bake-Off Bakery | 27 | 45.4% | 35.4 - 51.8% |
| Frozen Food | 34 | 22.5% | 19.7 - 25.5% |
| Dairy | 34 | 19.0% | 17.5 - 20.6% |
| Other | 23 | 22.2% | 12.7 - 27.9% |
| Total Gross Margin | 51 | 21.8% | 20.0 - 23.2% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 47 | 12.2X | 10.8 - 13.6X |
| Meat | 49 | 37.5X | 32.4 - 48.3X |
| Produce | 49 | 53.1X | 36.9 - 64.4X |
| General Merchandise/HaBA | 25 | 5.3X | 3.9 - 8.0X |
| Beer/Wine | 15 | 10.7X | 9.2 - 17.0X |
| Service Deli | 36 | 24.9X | 21.2 - 32.3X |
| Scratch/Bake-Off Bakery | 22 | 22.2X | 10.8 - 31.0X |
| Frozen Food | 31 | 14.4X | 10.8 - 18.3X |
| Dairy | 31 | 33.0X | 25.5 - 37.3X |
| Other | 19 | 18.6X | 5.7 - 41.8X |
| Total Inventory Turnover | 49 | 15.4X | 12.4 - 17.0X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 47 | 289.4% | 218.9 - 374.1% |
| Meat | 49 | 1,063.5% | 827.6 - 1,314.8% |
| Produce | 49 | 2,300.0% | 1,660.1 - 2,948.4% |
| General Merchandise/HaBA | 25 | 171.3% | 104.2 - 298.8% |
| Beer/Wine | 15 | 274.8% | 157.9 - 345.4% |
| Service Deli | 36 | 1,653.2% | 1,280.1 - 2,196.0% |
| Scratch/Bake-Off Bakery | 22 | 1,53 .7% | 1,093.1 - 2,547.4% |
| Frozen Food | 31 | 383.5% | 277.8 - 571.9% |
| Dairy | 31 | 753.6% | 536.9 - 942.3% |
| Other | 19 | 289.1% | 177.4 - 903.9% |
| Total GMROI | 49 | 426.4% | 336.9 - 493.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEEKLY SALES $70,000 TO $125,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 56 | 72.9% | 69.5 - 77.0% |
| Meat | 56 | 20.0% | 16.8 - 24.0% |
| Produce | 56 | 7.1% | 5.7 - 7.9% |
| Total Sales | 56 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 53 | 20.1% | 18.3 - 21.5% |
| Meat | 53 | 24.5% | 22.3 - 26.5% |
| Produce | 53 | 30.8% | 27.7 - 32.6% |
| Total Gross Margin | 51 | 21.8% | 20.0 - 23.2% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 47 | 12.8X | 10.1 - 14.4X |
| Meat | 49 | 34.4X | 30.2 - 44.9X |
| Produce | 49 | 53.1X | 36.9 - 64.4X |
| Total Inventory Turnover | 49 | 15.4X | 12.4 - 17.0X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 47 | 328.8% | 240.4 - 394.7% |
| Meat | 49 | 1,193.3% | 885.5 - 1,442.1% |
| Produce | 49 | 2,300.0% | 1,660.1 - 2,948.4% |
| Total GMROI | 49 | 426.4% | 336.9 - 493.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEEKLY SALES OVER $125,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 86 | 4.8% | 2.0 - 9.1% |
| Average Transaction Size | 83 | $17.99 | $14.51 - 20.55 |
| Store Sales per Hour of Operation | 90 | $1,852 | $1,463 - 2,495 |
| **Distribution of Sales:** | | | |
| Grocery | 91 | 50.0% | 44.2 - 55.9% |
| Meat | 91 | 15.0% | 13.2 - 16.7% |
| Produce | 91 | 9.8% | 6.8 - 10.2% |
| General Merchandise/H&BA | 91 | 3.7% | 0.0 - 6.0% |
| Beer/Wine | 91 | 1.3% | 0.0 - 1.8% |
| Service Deli | 91 | 4.4% | 3.2 - 5.9% |
| Scratch/ Bake-Off Bakery | 91 | 1.9% | 0.0 - 2.6% |
| Frozen Food | 91 | 4.8% | 0.0 - 7.0% |
| Dairy | 91 | 6.6% | 0.0 - 10.0% |
| Other | 91 | 2.6% | 0.0 - 3.2% |
| Total | 91 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 91 | 70.9% | 68.0 - 74.8% |
| Meat | 91 | 19.4% | 17.6 - 21.4% |
| Produce | 91 | 9.8% | 6.8 - 10.2% |
| Total Sales | 91 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 84 | 21.1% | 18.7 - 22.5% |
| Meat | 84 | 27.3% | 24.0 - 29.9% |
| Produce | 84 | 32.2% | 29.2 - 34.4% |
| Total Gross Margin | 80 | 23.2% | 20.8 - 25.0% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 80 | 9.2% | 7.8 - 9.7% |
| Benefits | 80 | 2.0% | 1.2 - 2.5% |
| Total Store Labor Expense | 80 | 11.2% | 9.2 - 12.6% |
| Advertising & Promotion | 80 | 1.2% | 0.7 - 1.6% |
| Occupancy (Excluding Utilities) | 80 | 1.8% | 1.2 - 2.3% |
| Utilities | 80 | 1.0% | 0.8 - 1.2% |
| Maintenance | 80 | 0.6% | 0.4 - 0.8% |
| Store Supplies | 80 | 1.1% | 0.9 - 1.3% |
| Interest | 80 | 0.3% | 0.0 - 0.4% |
| Other | 80 | 3.5% | 2.1 - 4.5% |
| Total Operating Expenses | 80 | 20.6% | 18.0 - 22.2% |
| Profit Before Tax | 80 | 2.7% | 1.4 - 3.7% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEEKLY SALES OVER $125,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 84 | $85.85 | $75.20 - 99.67 |
| Gross Margin per Labor Hour | 77 | $19.74 | $16.06 - 23.80 |
| Profit Before Tax per Labor Hour | 72 | $2.51 | $1.24 - 3.46 |
| Sales per Labor Dollar | 82 | $11.34 | $10.38 - 12.83 |
| Gross Margin per Labor Dollar | 80 | $2.54 | $2.33 - 2.74 |
| Transactions per Labor Hour | 80 | 4.9 | 4.0 - 5.9 |
| Payroll per Labor Hour | 74 | $7.19 | $6.21 - 9.37 |
| Benefits per Labor Hour | 73 | $1.59 | $0.87 - 2.31 |
| Payroll to Total Expenses | 82 | 45.5% | 42.6 - 49.1% |
| Benefits to Total Expenses | 81 | 9.1% | 6.2 - 12.0% |
| Payroll per Hour of Operation | 80 | $166.03 | $124.94 - 228.94 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 92 | 25,488 | 20,800 - 30,000 |
| Weekly Sales per Square Foot | 92 | $7.76 | $6.59 - 9.72 |
| Weekly Gross Margin per Square Foot | 85 | $1.74 | $1.43 - 2.25 |
| Weekly Profit Before Tax per Sq Ft | 80 | $0.22 | $0.10 - 0.32 |
| **Selling Area:** | | | |
| Average Square Footage | 92 | 19,000 | 15,000 - 22,000 |
| Weekly Sales per Square Foot | 92 | $10.82 | $9.07 - 13.63 |
| Weekly Gross Margin per Square Foot | 85 | $2.39 | $1.83 - 3.22 |
| Weekly Profit Before Tax per Sq Ft | 80 | $0.30 | $0.16 - 0.40 |
| Average Weekly Sales per Store | 92 | $200,950 | $157,922 - 245,953 |
| Number of Checkouts | 86 | 8 | 7 - 9 |
| Weekly Sales per Checkout | 86 | $25,108 | $22,329 - 28,269 |
| Weekly Transactions per Checkout | 80 | 1,426 | 1,267 - 1,695 |
| Selling Square Footage per Checkout | 86 | 2,250 | 2,016 - 2,714 |
| Occupancy Cost (incl utilities) per Sq Ft | 82 | $11.41 | $8.56 - 15.49 |
| Occupancy Cost (incl util) to Total Expense | 82 | 13.7% | 10.6 - 17.1% |
| Weekly Transactions per Sq Ft of Selling Area | 83 | 0.66 | 0.49 - 0.81 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 83 | 6.46 | 4.78 - 8.15 |
| Percentage of Selling Area to Total Area | 92 | 76.3% | 69.7 - 83.3% |
| Inventory Dollars per Sq Ft of Selling Area | 85 | $21.30 | $17.39 - 25.63 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - WEEKLY SALES OVER $125,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 84 | 19.6% | 17.1 - 20.7% |
| Meat | 84 | 23.8% | 20.4 - 25.6% |
| Produce | 84 | 32.2% | 29.2 - 34.4% |
| General Merchandise/HaBA | 48 | 28.1% | 25.3 - 31.7% |
| Beer/Wine | 29 | 17.9% | 14.7 - 23.4% |
| Service Deli | 80 | 39.6% | 36.3 - 43.6% |
| Scratch/Bake-Off Bakery | 56 | 49.1% | 40.2 - 61.3% |
| Frozen Food | 60 | 27.1% | 23.4 - 28.7% |
| Dairy | 56 | 20.1% | 18.3 - 21.8% |
| Other | 53 | 17.4% | 17.1 - 31.8% |
| Total Gross Margin | 80 | 23.2% | 20.8 - 25.0% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 81 | 18.0X | 15.0 - 21.1X |
| Meat | 81 | 48.1X | 39.0 - 62.5X |
| Produce | 81 | 63.2X | 44.7 - 81.8X |
| General Merchandise/HaBA | 47 | 7.1X | 5.4 - 9.2X |
| Beer/Wine | 29 | 11.5X | 7.3 - 14.6X |
| Service Deli | 75 | 25.5X | 21.8 - 32.0X |
| Scratch/Bake-Off Bakery | 51 | 22.0X | 13.5 - 33.8X |
| Frozen Food | 56 | 19.1X | 16.9 - 24.1X |
| Dairy | 53 | 42.0X | 33.3 - 49.8X |
| Other | 50 | 18.3X | 8.9 - 28.2X |
| Total Inventory Turnover | 82 | 21.0X | 17.7 - 23.0X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 81 | 414.2% | 324.5 - 519.1% |
| Meat | 81 | 1,549.1% | 1,047.0 - 2,004.1% |
| Produce | 81 | 2,999.9% | 2,117.4 - 3,651.5% |
| General Merchandise/HaBA | 47 | 240.3% | 188.8 - 374.4% |
| Beer/Wine | 30 | 202.5% | 146.6 - 370.9% |
| Service Deli | 75 | 1,761.2% | 1,314.8 - 2,221.8% |
| Scratch/Bake-Off Bakery | 51 | 2,522.9% | 1,655.7 - 3,479.8% |
| Frozen Food | 56 | 690.1% | 529.4 - 923.6% |
| Dairy | 53 | 987.5% | 762.3 - 1,199.1% |
| Other | 50 | 422.1% | 232.6 - 861.0% |
| - Total GMROI | 82 | 586.2% | 497.7 - 731.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - WEEKLY SALES OVER $125,000

## SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Distribution of Sales:** | | | |
| Grocery | 91 | 70.9% | 68.0 - 74.8% |
| Meat | 91 | 19.4% | 17.6 - 21.4% |
| Produce | 91 | 9.8% | 6.8 - 10.2% |
| Total Sales | 91 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 84 | 21.1% | 18.7 - 22.5% |
| Meat | 84 | 27.3% | 24.0 - 29.9% |
| Produce | 84 | 32.2% | 29.2 - 34.4% |
| Total Gross Margin | 80 | 23.2% | 20.8 - 25.0% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 81 | 17.5X | 14.8 - 19.4X |
| Meat | 81 | 42.8X | 33.6 - 50.3X |
| Produce | 81 | 63.2X | 44.7 - 81.8X |
| Total Inventory Turnover | 82 | 21.0X | 17.7 - 23.0X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 81 | 438.1% | 361.4 - 542.6% |
| Meat | 81 | 1,562.0% | 1,213.9 - 1,891.2% |
| Produce | 81 | 2,999.9% | 2,117.4 - 3,651.5% |
| Total GMROI | 82 | 586.2% | 497.7 - 731.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MOST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 77 | 6.8% | 2.4 - 12.0% |
| Average Transaction Size | 71 | $15.50 | $12.86 - 19.42 |
| Store Sales per Hour of Operation | 79 | $1,437 | $970 - 2,154 |
| **Distribution of Sales:** | | | |
| Grocery | 80 | 51.4% | 44.6 - 60.4% |
| Meat | 80 | 15.7% | 13.6 - 17.6% |
| Produce | 80 | 9.0% | 6.5 - 10.1% |
| General Merchandise/HaBA | 80 | 3.3% | 0.0 - 5.4% |
| Beer/Wine | 80 | 1.4% | 0.0 - 1.7% |
| Service Deli | 80 | 3.9% | 2.0 - 5.9% |
| Scratch/ Bake-Off Bakery | 80 | 1.6% | 0.0 - 2.3% |
| Frozen Food | 80 | 4.5% | 0.0 - 7.1% |
| Dairy | 80 | 6.2% | 0.0 - 10.0% |
| Other | 80 | 3.1% | 0.0 - 5.1% |
| Total | 80 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 80 | 71.5% | 67.9 - 76.0% |
| Meat | 80 | 19.5% | 16.8 - 21.9% |
| Produce | 80 | 9.0% | 6.5 - 10.1% |
| Total Sales | 80 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 79 | 21.4% | 19.0 - 22.8% |
| Meat | 79 | 26.7% | 23.4 - 29.0% |
| Produce | 79 | 32.5% | 29.9 - 34.4% |
| Total Gross Margin | 80 | 23.5% | 20.8 - 25.2% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 80 | 8.9% | 7.6 - 9.4% |
| Benefits | 80 | 1.7% | 0.8 - 2.1% |
| Total Store Labor Expense | 80 | 10.5% | 8.6 - 11.3% |
| Advertising & Promotion | 80 | 1.1% | 0.7 - 1.3% |
| Occupancy (Excluding Utilities) | 80 | 1.7% | 1.1 - 2.2% |
| Utilities | 80 | 1.1% | 0.9 - 1.3% |
| Maintenance | 80 | 0.6% | 0.4 - 0.7% |
| Store Supplies | 80 | 1.1% | 0.9 - 1.3% |
| Interest | 80 | 0.4% | 0.0 - 0.4% |
| Other | 80 | 3.1% | 1.9 - 4.2% |
| Total Operating Expenses | 80 | 19.6% | 17.0 - 21.5% |
| Profit Before Tax | 80 | 3.8% | 2.9 - 4.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MOST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 75 | $89.39 | $76.82 - 101.01 |
| Gross Margin per Labor Hour | 75 | $20.28 | $16.29 - 24.31 |
| Profit Before Tax per Labor Hour | 75 | $3.12 | $2.51 - 3.95 |
| Sales per Labor Dollar | 80 | $11.65 | $10.70 - 13.21 |
| Gross Margin per Labor Dollar | 80 | $2.61 | $2.47 - 2.86 |
| Transactions per Labor Hour | 70 | 5.8 | 4.8 - 7.3 |
| Payroll per Labor Hour | 75 | $7.49 | $6.17 - 9.19 |
| Benefits per Labor Hour | 73 | $1.36 | $0.73 - 2.15 |
| Payroll to Total Expenses | 80 | 45.8% | 42.5 - 48.8% |
| Benefits to Total Expenses | 78 | 8.6% | 4.8 - 11.3% |
| Payroll per Hour of Operation | 79 | $126.07 | $81.58 - 189.47 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 79 | 20,000 | 14,200 - 26,000 |
| Weekly Sales per Square Foot | 79 | $7.27 | $6.08 - 9.32 |
| Weekly Gross Margin per Square Foot | 79 | $1.67 | $1.31 - 2.24 |
| Weekly Profit Before Tax per Sq Ft | 79 | $0.26 | $0.20 - 0.35 |
| **Selling Area:** | | | |
| Average Square Footage | 80 | 15,325 | 10,000 - 18,250 |
| Weekly Sales per Square Foot | 80 | $10.23 | $7.68 - 12.94 |
| Weekly Gross Margin per Square Foot | 80 | $2.25 | $1.73 - 2.97 |
| Weekly Profit Before Tax per Sq Ft | 80 | $0.34 | $0.28 - 0.46 |
| Average Weekly Sales per Store | 80 | $142,528 | $101,673 - 212,213 |
| Number of Checkouts | 78 | 6 | 5 - 8 |
| Weekly Sales per Checkout | 78 | $22,740 | $19,221 - 26,977 |
| Weekly Transactions per Checkout | 70 | 1,512 | 1,337 - 1,724 |
| Selling Square Footage per Checkout | 78 | 2,205 | 2,000 - 2,686 |
| Occupancy Cost (incl utilities) per Sq Ft | 78 | $11.23 | $7.91 - 14.61 |
| Occupancy Cost (incl util) to Total Expense | 79 | 14.2% | 10.6 - 17.6% |
| Weekly Transactions per Sq Ft of Selling Area | 71 | 0.72 | 0.56 - 0.87 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 71 | 7.27 | 5.83 - 8.98 |
| Percentage of Selling Area to Total Area | 79 | 78.3% | 70.9 - 85.0% |
| Inventory Dollars per Sq Ft of Selling Area | 80 | $21.43 | $17.73 - 25.42 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - MOST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 80 | 20.4% | 17.7 - 21.7% |
| Meat | 80 | 23.8% | 20.8 - 25.4% |
| Produce | 80 | 32.6% | 29.9 - 34.4% |
| General Merchandise/HaBA | 44 | 28.4% | 25.3 - 31.7% |
| Beer/Wine | 26 | 18.6% | 14.9 - 23.7% |
| Service Deli | 66 | 39.9% | 36.6 - 43.2% |
| Scratch/Bake-Off Bakery | 45 | 44.6% | 37.2 - 52.0% |
| Frozen Food | 53 | 26.8% | 21.3 - 29.6% |
| Dairy | 49 | 20.4% | 19.1 - 21.7% |
| Other | 46 | 22.6% | 12.9 - 29.2% |
| Total Gross Margin | 80 | 23.5% | 20.8 - 25.2% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 80 | 15.9X | 12.3 - 19.9X |
| Meat | 80 | 43.5X | 34.8 - 59.4X |
| Produce | 80 | 59.0X | 45.7 - 74.9X |
| General Merchandise/HaBA | 43 | 6.1X | 4.7 - 9.4X |
| Beer/Wine | 26 | 13.1X | 8.8 - 15.3X |
| Service Deli | 64 | 25.5X | 21.7 - 31.3X |
| Scratch/Bake-Off Bakery | 44 | 29.0X | 17.8 - 42.7X |
| Frozen Food | 53 | 18.1X | 14.6 - 23.7X |
| Dairy | 48 | 36.6X | 27.4 - 47.2X |
| Other | 44 | 20.1X | 13.4 - 32.7X |
| Total Inventory Turnover | 80 | 18.7X | 14.8 - 22.9X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 80 | 395.6% | 291.2 - 504.8% |
| Meat | 80 | 1,374.0% | 951.0 - 1,867.3% |
| Produce | 80 | 2,830.7% | 2,150.8 - 3,614.7% |
| General Merchandise/HaBA | 43 | 221.5% | 169.3 - 408.2% |
| Beer/Wine | 27 | 253.8% | 156.3 - 557.0% |
| Service Deli | 64 | 1,742.7% | 1,320.0 - 2,175.1% |
| Scratch/Bake-Off Bakery | 44 | 2,447.8% | 1,691.4 - 3,596.8% |
| Frozen Food | 53 | 641.8% | 442.3 - 921.5% |
| Dairy | 48 | 971.1% | 717.7 - 1,182.4% |
| Other | 44 | 370.1% | 224.4 - 1,075.0% |
| Total GMROI | 80 | 565.5% | 397.8 - 742.1% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - MOST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 80 | 71.5% | 67.9 - 76.0% |
| Meat | 80 | 19.5% | 16.8 - 21.9% |
| Produce | 80 | 9.0% | 6.5 - 10.1% |
| Total Sales | 80 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 79 | 21.4% | 19.0 - 22.8% |
| Meat | 79 | 26.7% | 23.4 - 29.0% |
| Produce | 79 | 32.5% | 29.9 - 34.4% |
| Total Gross Margin | 80 | 23.5% | 20.8 - 25.2% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 79 | 16.0X | 12.1 - 19.4X |
| Meat | 79 | 40.3X | 33.1 - 49.3X |
| Produce | 79 | 59.2X | 45.4 - 74.9X |
| Total Inventory Turnover | 80 | 18.7X | 14.8 - 22.9X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 79 | 405.7% | 318.0 - 503.2% |
| Meat | 79 | 1,423.3% | 1,073.1 - 1,832.7% |
| Produce | 79 | 2,766.7% | 2,149.7 - 3,620.1% |
| Total GMROI | 80 | 565.5% | 397.8 - 742.1% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - LEAST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 74 | 3.9% | 1.1 - 7.7% |
| Average Transaction Size | 74 | $12.94 | $11.12 - 15.24 |
| Store Sales per Hour of Operation | 82 | $891 | $666 - 1,407 |
| **Distribution of Sales:** | | | |
| Grocery | 83 | 53.5% | 46.6 - 58.3% |
| Meat | 83 | 16.5% | 13.4 - 18.4% |
| Produce | 83 | 7.1% | 5.7 - 8.0% |
| General Merchandise/HaBA | 83 | 2.8% | 0.0 - 4.4% |
| Beer/Wine | 83 | 1.4% | 0.0 - 2.6% |
| Service Deli | 83 | 3.4% | 0.0 - 5.3% |
| Scratch/ Bake-Off Bakery | 83 | 1.3% | 0.0 - 2.5% |
| Frozen Food | 83 | 4.5% | 1.8 - 6.6% |
| Dairy | 83 | 7.2% | 2.0 - 10.1% |
| Other | 83 | 2.4% | 0.0 - 3.1% |
| Total | 83 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 83 | 73.0% | 70.5 - 76.7% |
| Meat | 83 | 19.9% | 17.3 - 22.0% |
| Produce | 83 | 7.1% | 5.7 - 8.0% |
| Total Sales | 83 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 79 | 20.0% | 18.5 - 21.3% |
| Meat | 79 | 23.8% | 20.4 - 27.2% |
| Produce | 79 | 30.2% | 27.0 - 32.8% |
| Total Gross Margin | 83 | 21.5% | 19.9 - 22.8% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 83 | 9.4% | 8.3 - 10.4% |
| Benefits | 83 | 1.5% | 0.8 - 1.9% |
| Total Store Labor Expense | 83 | 10.9% | 9.4 - 11.9% |
| Advertising & Promotion | 83 | 1.4% | 1.0 - 1.8% |
| Occupancy (Excluding Utilities) | 83 | 1.8% | 1.3 - 2.1% |
| Utilities | 83 | 1.3% | 1.0 - 1.7% |
| Maintenance | 83 | 0.6% | 0.4 - 0.8% |
| Store Supplies | 83 | 1.2% | 1.0 - 1.4% |
| Interest | 83 | 0.4% | 0.1 - 0.6% |
| Other | 83 | 3.6% | 2.0 - 4.9% |
| Total Operating Expenses | 83 | 21.2% | 19.2 - 22.6% |
| Profit Before Tax | 83 | 0.4% | -0.2 - 1.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - LEAST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 75 | $74.51 | $67.38 - 83.60 |
| Gross Margin per Labor Hour | 75 | $15.84 | $13.48 - 18.83 |
| Profit Before Tax per Labor Hour | 75 | $0.67 | $0.04 - 1.14 |
| Sales per Labor Dollar | 83 | $11.02 | $9.59 - 12.11 |
| Gross Margin per Labor Dollar | 83 | $2.27 | $2.11 - 2.54 |
| Transactions per Labor Hour | 69 | 5.5 | 4.3 - 6.6 |
| Payroll per Labor Hour | 75 | $6.70 | $6.01 - 7.64 |
| Benefits per Labor Hour | 73 | $1.10 | $0.54 - 1.41 |
| Payroll to Total Expenses | 83 | 44.6% | 40.8 - 49.0% |
| Benefits to Total Expenses | 80 | 6.7% | 3.8 - 9.4% |
| Payroll per Hour of Operation | 82 | $81.42 | $57.03 - 137.13 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 83 | 17,500 | 12,700 - 24,000 |
| Weekly Sales per Square Foot | 83 | $6.11 | $4.66 - 7.44 |
| Weekly Gross Margin per Square Foot | 83 | $1.28 | $0.99 - 1.61 |
| Weekly Profit Before Tax per Sq Ft | 83 | $0.05 | -$0.01 - 0.09 |
| **Selling Area:** | | | |
| Average Square Footage | 83 | 12,720 | 9,445 - 18,000 |
| Weekly Sales per Square Foot | 83 | $8.15 | $6.03 - 9.85 |
| Weekly Gross Margin per Square Foot | 83 | $1.78 | $1.27 - 2.15 |
| Weekly Profit Before Tax per Sq Ft | 83 | $0.07 | -$0.01 - 0.12 |
| Average Weekly Sales per Store | 83 | $93,159 | $67,000 - 164,319 |
| Number of Checkouts | 79 | 5 | 4 - 7 |
| Weekly Sales per Checkout | 79 | $18,436 | $15,490 - 22,450 |
| Weekly Transactions per Checkout | 72 | 1,393 | 1,215 - 1,705 |
| Selling Square Footage per Checkout | 79 | 2,400 | 1,983 - 2,838 |
| Occupancy Cost (incl utilities) per Sq Ft | 83 | $8.90 | $7.27 - 11.04 |
| Occupancy Cost (incl util) to Total Expense | 83 | 14.7% | 11.6 - 17.5% |
| Weekly Transactions per Sq Ft of Selling Area | 74 | 0.62 | 0.46 - 0.75 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 74 | 5.82 | 4.42 - 7.41 |
| Percentage of Selling Area to Total Area | 83 | 75.0% | 67.1 - 81.1% |
| Inventory Dollars per Sq Ft of Selling Area | 77 | $20.37 | $16.74 - 25.18 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - LEAST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 79 | 18.8% | 16.9 - 20.6% |
| Meat | 79 | 20.7% | 18.9 - 22.5% |
| Produce | 79 | 30.2% | 27.0 - 32.8% |
| General Merchandise/HaBA | 49 | 24.2% | 21.8 - 27.5% |
| Beer/Wine | 32 | 19.5% | 16.3 - 22.4% |
| Service Deli | 59 | 38.5% | 34.6 - 43.3% |
| Scratch/Bake-Off Bakery | 43 | 48.3% | 38.2 - 62.9% |
| Frozen Food | 58 | 24.5% | 23.1 - 27.0% |
| Dairy | 58 | 19.2% | 17.9 - 20.9% |
| Other | 41 | 20.2% | 15.3 - 29.9% |
| Total Gross Margin | 83 | 21.5% | 19.9 - 22.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 74 | 12.7X | 11.0 - 15.9X |
| Meat | 76 | 42.4X | 33.3 - 52.6X |
| Produce | 76 | 52.1X | 37.4 - 72.7X |
| General Merchandise/HaBA | 45 | 5.5X | 4.0 - 7.4X |
| Beer/Wine | 29 | 10.3X | 8.7 - 12.6X |
| Service Deli | 56 | 25.8X | 20.6 - 34.4X |
| Scratch/Bake-Off Bakery | 36 | 16.7X | 10.5 - 23.4X |
| Frozen Food | 53 | 14.9X | 12.0 - 18.6X |
| Dairy | 54 | 36.5X | 30.2 - 42.8X |
| Other | 37 | 11.3X | 5.9 - 21.7X |
| Total Inventory Turnover | 77 | 16.5X | 13.3 - 19.9X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 74 | 305.8% | 240.3 - 359.6% |
| Meat | 76 | 1,062.5% | 831.1 - 1,405.7% |
| Produce | 76 | 2,215.9% | 1,649.5 - 3,127.0% |
| General Merchandise/HaBA | 45 | 195.6% | 98.8 - 251.8% |
| Beer/Wine | 29 | 274.8% | 153.7 - 339.1% |
| Service Deli | 56 | 1,674.8% | 1,280.1 - 2,230.8% |
| Scratch/Bake-Off Bakery | 36 | 1,467.4% | 726.3 - 2,720.5% |
| Frozen Food | 53 | 482.0% | 375.2 - 640.7% |
| Dairy | 54 | 886.9% | 688.7 - 1,082.7% |
| Other | 37 | 384.3% | 223.4 - 594.5% |
| Total GMROI | 77 | 430.2% | 355.6 - 555.2% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - LEAST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 83 | 73.0% | 70.5 - 76.7% |
| Meat | 83 | 19.9% | 17.3 - 22.0% |
| Produce | 83 | 7.1% | 5.7 - 8.0% |
| Total Sales | 83 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 79 | 20.0% | 18.5 - 21.3% |
| Meat | 79 | 23.8% | 20.4 - 27.2% |
| Produce | 79 | 30.2% | 27.0 - 32.8% |
| Total Gross Margin | 83 | 21.5% | 19.9 - 22.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 74 | 13.5X | 10.7 - 16.3X |
| Meat | 76 | 39.7X | 30.1 - 48.1X |
| Produce | 76 | 52.1X | 37.4 - 72.7X |
| Total Inventory Turnover | 77 | 16.5X | 13.3 - 19.9X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 74 | 330.6% | 272.1 - 402.6% |
| Meat | 76 | 1,222.4% | 870.9 - 1,533.3% |
| Produce | 76 | 2,215.9% | 1,649.5 - 3,127.0% |
| Total GMROI | 77 | 430.2% | 355.6 - 555.2% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - LESS THAN 10,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 37 | 6.9% | 0.4 - 14.8% |
| Average Transaction Size | 37 | $11.23 | $8.72 - 13.24 |
| Store Sales per Hour of Operation | 39 | $637 | $488 - 806 |
| **Distribution of Sales:** | | | |
| Grocery | 38 | 54.0% | 46.7 - 59.1% |
| Meat | 38 | 17.5% | 13.9 - 21.0% |
| Produce | 38 | 7.3% | 5.7 - 8.5% |
| General Merchandise/HaBA | 38 | 2.4% | 0.0 - 3.6% |
| Beer/Wine | 38 | 1.7% | 0.0 - 2.6% |
| Service Deli | 38 | 3.3% | 0.0 - 6.6% |
| Scratch/ Bake-Off Bakery | 38 | 0.6% | 0.0 - 1.1% |
| Frozen Food | 38 | 4.1% | 0.0 - 6.6% |
| Dairy | 38 | 6.2% | 0.0 - 10.0% |
| Other | 38 | 2.9% | 0.0 - 5.2% |
| Total | 38 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 38 | 71.9% | 68.7 - 76.9% |
| Meat | 38 | 20.8% | 16.9 - 24.8% |
| Produce | 38 | 7.3% | 5.7 - 8.5% |
| Total Sales | 38 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 36 | 21.1% | 18.8 - 21.6% |
| Meat | 36 | 24.5% | 20.4 - 29.1% |
| Produce | 36 | 31.0% | 28.7 - 33.0% |
| Total Gross Margin | 38 | 22.8% | 20.5 - 23.8% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 38 | 9.1% | 7.9 - 10.0% |
| Benefits | 38 | 1.3% | 0.6 - 1.6% |
| Total Store Labor Expense | 38 | 10.4% | 9.1 - 11.1% |
| Advertising & Promotion | 38 | 1.2% | 0.8 - 1.4% |
| Occupancy (Excluding Utilities) | 38 | 1.6% | 1.2 - 2.0% |
| Utilities | 38 | 1.3% | 1.1 - 1.6% |
| Maintenance | 38 | 0.6% | 0.4 - 0.7% |
| Store Supplies | 38 | 1.3% | 1.0 - 1.5% |
| Interest | 38 | 0.5% | 0.1 - 0.8% |
| Other | 38 | 3.9% | 2.4 - 5.6% |
| Total Operating Expenses | 38 | 20.6% | 17.9 - 22.8% |
| Profit Before Tax | 38 | 2.2% | 0.4 - 3.4% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - LESS THAN 10,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 37 | $74.98 | $66.34 - 87.90 |
| Gross Margin per Labor Hour | 36 | $16.08 | $14.70 - 19.73 |
| Profit Before Tax per Labor Hour | 36 | $1.48 | $0.22 - 2.87 |
| Sales per Labor Dollar | 38 | $11.31 | $10.01 - 12.65 |
| Gross Margin per Labor Dollar | 38 | $2.42 | $2.25 - 2.85 |
| Transactions per Labor Hour | 36 | 7.0 | 5.4 - 9.4 |
| Payroll per Labor Hour | 36 | $6.91 | $5.58 - 7.77 |
| Benefits per Labor Hour | 35 | $0.75 | $0.51 - 1.33 |
| Payroll to Total Expenses | 38 | 44.0% | 40.5 - 46.9% |
| Benefits to Total Expenses | 37 | 4.9% | 3.1 - 7.9% |
| Payroll per Hour of Operation | 38 | $55.97 | $42.06 - 73.44 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 40 | 9,850 | 8,000 - 11,000 |
| Weekly Sales per Square Foot | 39 | $6.25 | $5.06 - 8.83 |
| Weekly Gross Margin per Square Foot | 38 | $1.42 | $1.08 - 1.80 |
| Weekly Profit Before Tax per Sq Ft | 38 | $0.12 | $0.03 - 0.24 |
| **Selling Area:** | | | |
| Average Square Footage | 40 | 7,600 | 6,500 - 8,500 |
| Weekly Sales per Square Foot | 39 | $8.70 | $6.58 - 11.10 |
| Weekly Gross Margin per Square Foot | 38 | $1.93 | $1.48 - 2.46 |
| Weekly Profit Before Tax per Sq Ft | 38 | $0.17 | $0.03 - 0.30 |
| Average Weekly Sales per Store | 39 | $63,677 | $47,510 - 78,339 |
| Number of Checkouts | 40 | 4 | 3 - 5 |
| Weekly Sales per Checkout | 39 | $15,919 | $13,914 - 19,210 |
| Weekly Transactions per Checkout | 37 | 1,500 | 1,219 - 1,800 |
| Selling Square Footage per Checkout | 39 | 1,875 | 1,600 - 2,171 |
| Occupancy Cost (incl utilities) per Sq Ft | 37 | $9.28 | $7.75 - 12.09 |
| Occupancy Cost (incl util) to Total Expense | 37 | 14.5% | 12.1 - 16.8% |
| Weekly Transactions per Sq Ft of Selling Area | 37 | 0.77 | 0.64 - 0.96 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 37 | 8.38 | 6.52 - 9.76 |
| Percentage of Selling Area to Total Area | 39 | 77.3% | 69.7 - 84.2% |
| Inventory Dollars per Sq Ft of Selling Area | 36 | $22.34 | $19.73 - 26.32 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, :989

## CONVENTIONAL SUPERMARKETS - - LESS THAN 10,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 37 | 20.7% | 18.1 - 22.3% |
| Meat | 37 | 21.7% | 18.3 - 23.0% |
| Produce | 37 | 31.2% | 28.8 - 34.1% |
| General Merchandise/HaBA | 18 | 24.4% | 18.6 - 27.8% |
| Beer/Wine | 15 | 20.9% | 18.5 - 22.9% |
| Service Deli | 21 | 41.9% | 38.2 - 45.4% |
| Scratch/Bake-Off Bakery | 13 | 35.8% | 28.0 - 40.5% |
| Frozen Food | 25 | 25.6% | 23.0 - 27.6% |
| Dairy | 24 | 20.5% | 18.7 - 21.4% |
| Other | 16 | 35.0% | 13.1 - 26.1% |
| Total Gross Margin | 38 | 22.8% | 20.5 - 23.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 36 | 12.2X | 9.8 - 13.6X |
| Meat | 36 | 42.1X | 33.0 - 51.4X |
| Produce | 36 | 51.2X | 38.1 - 68.1X |
| General Merchandise/HaBA | 17 | 4.8X | 4.0 - 6.6X |
| Beer/Wine | 14 | 12.2X | 9.3 - 15.9X |
| Service Deli | 20 | 27.4X | 18.3 - 32.1X |
| Scratch/Bake-Off Bakery | 11 | 27.9X | 16.9 - 34.0X |
| Frozen Food | 24 | 13.9X | 11.7 - 18.0X |
| Dairy | 23 | 34.2X | 30.4 - 40.9X |
| Other | 15 | 18.6X | 12.4 - 24.8X |
| Total Inventory Turnover | 36 | 15.4X | 12.8 - 17.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 36 | 306.0% | 236.1 - 351.8% |
| Meat | 36 | 1,060.5% | 747.3 - 1,436.6% |
| Produce | 36 | 2,344.5% | 1,649.5 - 3,230.8% |
| General Merchandise/HaBA | 17 | 183.3% | 98.4 - 218.3% |
| Beer/Wine | 15 | 306.7% | 246.7 - 376.7% |
| Service Deli | 20 | 1,879.5% | 1,481.7 - 2,690.4% |
| Scratch/Bake-Off Bakery | 11 | 1,436.8% | 952.7 - 3,073.9% |
| Frozen Food | 24 | 479.8% | 388.4 - 633.1% |
| Dairy | 23 | 902.4% | 754.2 - 1,078.9% |
| Other | 15 | 431.8% | 293.6 - 924.6% |
| Total GMROI | 36 | 416.0% | 350.0 - 531.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - LESS THAN 10,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 38 | 71.9% | 68.7 - 76.9% |
| Meat | 38 | 20.8% | 16.9 - 24.8% |
| Produce | 38 | 7.3% | 5.7 - 8.5% |
| Total Sales | 38 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 36 | 21.1% | 18.8 - 21.6% |
| Meat | 36 | 24.5% | 20.4 - 29.1% |
| Produce | 36 | 31.0% | 28.7 - 33.0% |
| Total Gross Margin | 38 | 22.8% | 20.5 - 23.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 35 | 12.2X | 10.1 - 15.0X |
| Meat | 35 | 39.3X | 29.6 - 48.4X |
| Produce | 35 | 50.9X | 37.7 - 68.3X |
| Total Inventory Turnover | 36 | 15.4X | 12.8 - 17.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 35 | 317.8% | 273.0 - 394.2% |
| Meat | 35 | 1,193.3% | 811.2 - 1,614.4% |
| Produce | 35 | 2,277.0% | 1,648.0 - 3,153.3% |
| Total GMROI | 36 | 416.0% | 350.0 - 531.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - 10,000 to 12,499 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 29 | 5.2% | 2.1 - 8.2% |
| Average Transaction Size | 30 | $13.07 | $12.32 - 14.66 |
| Store Sales per Hour of Operation | 33 | $1,093 | $726 - 1,349 |
| **Distribution of Sales:** | | | |
| Grocery | 32 | 54.4% | 45.9 - 62.8% |
| Meat | 32 | 16.7% | 13.7 - 18.1% |
| Produce | 32 | 7.5% | 6.0 - 8.8% |
| General Merchandise/HaBA | 32 | 2.6% | 0.0 - 3.4% |
| Beer/Wine | 32 | 0.8% | 0.0 - 0.0% |
| Service Deli | 32 | 3.9% | 2.7 - 5.3% |
| Scratch/ Bake-Off Bakery | 32 | 0.8% | 0.0 - 1.5% |
| Frozen Food | 32 | 4.3% | 0.0 - 6.5% |
| Dairy | 32 | 6.7% | 0.0 - 10.3% |
| Other | 32 | 2.2% | 0.0 - 3.5% |
| Total | 32 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 32 | 71.8% | 68.4 - 76.2% |
| Meat | 32 | 20.7% | 16.8 - 24.0% |
| Produce | 32 | 7.5% | 6.0 - 8.8% |
| Total Sales | 32 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 30 | 19.8% | 18.5 - 21.3% |
| Meat | 30 | 24.1% | 21.7 - 25.9% |
| Produce | 30 | 31.2% | 28.3 - 33.0% |
| Total Gross Margin | 29 | 21.6% | 20.1 - 22.8% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 29 | 9.1% | 7.9 - 9.4% |
| Benefits | 29 | 1.3% | 0.5 - 2.0% |
| Total Store Labor Expense | 29 | 10.5% | 8.7 - 11.4% |
| Advertising & Promotion | 29 | 1.5% | 0.9 - 1.9% |
| Occupancy (Excluding Utilities) | 29 | 1.7% | 1.2 - 2.1% |
| Utilities | 29 | 1.3% | 0.9 - 1.6% |
| Maintenance | 29 | 0.7% | 0.4 - 0.9% |
| Store Supplies | 29 | 1.1% | 1.0 - 1.2% |
| Interest | 29 | 0.5% | 0.0 - 0.6% |
| Other | 29 | 3.1% | 1.9 - 4.3% |
| Total Operating Expenses | 29 | 20.2% | 18.3 - 21.5% |
| Profit Before Tax | 29 | 1.4% | 0.7 - 3.2% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - 10,000 to 12,499 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 31 | $82.49 | $72.28 - 93.51 |
| Gross Margin per Labor Hour | 29 | $17.05 | $13.90 - 20.21 |
| Profit Before Tax per Labor Hour | 29 | $1.12 | $0.73 - 3.02 |
| Sales per Labor Dollar | 30 | $11.82 | $10.63 - 12.68 |
| Gross Margin per Labor Dollar | 30 | $2.54 | $2.23 - 2.64 |
| Transactions per Labor Hour | 28 | 6.3 | 4.9 - 7.3 |
| Payroll per Labor Hour | 29 | $6.70 | $6.10 - 9.09 |
| Benefits per Labor Hour | 28 | $1.10 | $0.41 - 1.66 |
| Payroll to Total Expenses | 30 | 45.2% | 41.1 - 48.1% |
| Benefits to Total Expenses | 29 | 6.5% | 2.9 - 9.8% |
| Payroll per Hour of Operation | 30 | $94.50 | $61.96 - 116.58 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 33 | 15,000 | 14,000 - 16,000 |
| Weekly Sales per Square Foot | 33 | $6.07 | $5.03 - 8.55 |
| Weekly Gross Margin per Square Foot | 31 | $1.31 | $1.06 - 1.76 |
| Weekly Profit Before Tax per Sq Ft | 30 | $0.08 | $0.04 - 0.22 |
| **Selling Area:** | | | |
| Average Square Footage | 33 | 11,400 | 10,000 - 12,000 |
| Weekly Sales per Square Foot | 33 | $8.73 | $6.96 - 11.33 |
| Weekly Gross Margin per Square Foot | 31 | $1.91 | $1.36 - 2.39 |
| Weekly Profit Before Tax per Sq Ft | 30 | $0.13 | $0.05 - 0.30 |
| Average Weekly Sales per Store | 33 | $93,174 | $70,825 - 123,116 |
| Number of Checkouts | 32 | 5 | 4 - 6 |
| Weekly Sales per Checkout | 32 | $18,763 | $16,198 - 21,893 |
| Weekly Transactions per Checkout | 29 | 1,486 | 1,256 - 1,693 |
| Selling Square Footage per Checkout | 32 | 2,164 | 2,000 - 2,638 |
| Occupancy Cost (incl utilities) per Sq Ft | 30 | $8.83 | $6.70 - 12.05 |
| Occupancy Cost (incl util) to Total Expense | 30 | 13.7% | 11.6 - 16.5% |
| Weekly Transactions per Sq Ft of Selling Area | 30 | 0.69 | 0.54 - 0.83 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 30 | 7.38 | 5.73 - 9.16 |
| Percentage of Selling Area to Total Area | 33 | 75.0% | 66.7 - 80.0% |
| Inventory Dollars per Sq Ft of Selling Area | 29 | $20.48 | $16.79 - 23.20 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - 10,000 to 12,499 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 30 | 19.9% | 17.8 - 21.7% |
| Meat | 30 | 21.1% | 19.9 - 22.7% |
| Produce | 30 | 31.2% | 28.3 - 33.0% |
| General Merchandise/HaBA | 17 | 23.3% | 18.4 - 28.3% |
| Beer/Wine | 7 | 16.6% | 13.7 - 21.6% |
| Service Deli | 25 | 36.7% | 33.4 - 41.4% |
| Scratch/Bake-Off Bakery | 15 | 34.8% | 25.2 - 40.7% |
| Frozen Food | 20 | 24.3% | 22.3 - 25.5% |
| Dairy | 19 | 19.1% | 18.4 - 21.0% |
| Other | 11 | 17.4% | 9.1 - 17.1% |
| Total Gross Margin | 29 | 21.6% | 20.1 - 22.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 28 | 12.7X | 11.7 - 15.6X |
| Meat | 28 | 41.2X | 33.1 - 54.8X |
| Produce | 28 | 58.6X | 40.5 - 72.8X |
| General Merchandise/HaBA | 15 | 6.4X | 3.9 - 9.7X |
| Beer/Wine | 7 | 10.3X | 10.2 - 15.0X |
| Service Deli | 23 | 23.7X | 20.1 - 35.2X |
| Scratch/Bake-Off Bakery | 14 | 19.5X | 9.2 - 27.7X |
| Frozen Food | 19 | 14.4X | 12.1 - 19.0X |
| Dairy | 18 | 33.6X | 25.6 - 37.6X |
| Other | 11 | 17.2X | 16.7 - 55.2X |
| Total Inventory Turnover | 28 | 16.9X | 14.2 - 21.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 28 | 326.7% | 277.6 - 383.9% |
| Meat | 28 | 1,099.7% | 910.9 - 1,558.3% |
| Produce | 28 | 2,441.9% | 1,943.8 - 3,388.7% |
| General Merchandise/HaBA | 15 | 171.3% | 90.5 - 354.0% |
| Beer/Wine | 7 | 277.3% | 166.3 - 540.0% |
| Service Deli | 23 | 1,657.5% | 1,216.5 - 1,861.7% |
| Scratch/Bake-Off Bakery | 14 | 1,052.6% | 558.4 - 1,890.6% |
| Frozen Food | 19 | 472.7% | 363.0 - 643.2% |
| Dairy | 18 | 837.2% | 550.9 - 907.9% |
| Other | 11 | 362.3% | 237.6 - 383.2% |
| Total GMROI | 28 | 448.8% | 382.2 - 558.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - 10,000 to 12,499 SQ FT

## SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Distribution of Sales:** | | | |
| Grocery | 32 | 71.8% | 68.4 - 76.2% |
| Meat | 32 | 20.7% | 16.8 - 24.0% |
| Produce | 32 | 7.5% | 6.0 - 8.8% |
| Total Sales | 32 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 30 | 19.8% | 18.5 - 21.3% |
| Meat | 30 | 24.1% | 21.7 - 25.9% |
| Produce | 30 | 31.2% | 28.3 - 33.0% |
| Total Gross Margin | 29 | 21.6% | 20.1 - 22.8% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 28 | 13.6X | 11.8 - 17.6X |
| Meat | 28 | 38.9X | 32.4 - 45.3X |
| Produce | 28 | 58.6X | 40.5 - 72.8X |
| Total Inventory Turnover | 28 | 16.9X | 14.2 - 21.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 28 | 341.4% | 299.4 - 394.8% |
| Meat | 28 | 1,241.7% | 991.7 - 1,477.1% |
| Produce | 28 | 2,441.9% | 1,943.8 - 3,388.7% |
| Total GMROI | 28 | 448.8% | 382.2 - 558.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - 12,500 to 17,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 43 | 4.8% | 1.6 - 10.0% |
| Average Transaction Size | 43 | $14.01 | $12.18 - 17.28 |
| Store Sales per Hour of Operation | 47 | $1,157 | $890 - 1,757 |
| **Distribution of Sales:** | | | |
| Grocery | 48 | 55.0% | 47.8 - 64.6% |
| Meat | 48 | 15.0% | 13.3 - 17.4% |
| Produce | 48 | 8.2% | 5.6 - 8.8% |
| General Merchandise/HaBA | 48 | 2.6% | 0.0 - 5.0% |
| Beer/Wine | 48 | 1.4% | 0.0 - 2.2% |
| Service Deli | 48 | 3.3% | 1.3 - 5.0% |
| Scratch/ Bake-Off Bakery | 48 | 1.8% | 0.0 - 2.2% |
| Frozen Food | 48 | 4.4% | 0.0 - 6.9% |
| Dairy | 48 | 6.3% | 0.0 - 9.9% |
| Other | 48 | 1.9% | 0.0 - 2.5% |
| Total | 48 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 48 | 73.5% | 71.0 - 76.6% |
| Meat | 48 | 18.3% | 16.9 - 20.2% |
| Produce | 48 | 8.2% | 5.6 - 8.8% |
| Total Sales | 48 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 45 | 20.7% | 17.9 - 22.2% |
| Meat | 45 | 25.7% | 23.2 - 27.5% |
| Produce | 45 | 31.8% | 29.3 - 34.0% |
| Total Gross Margin | 45 | 22.4% | 19.7 - 24.3% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 45 | 9.3% | 8.0 - 9.9% |
| Benefits | 45 | 1.6% | 0.8 - 1.9% |
| Total Store Labor Expense | 45 | 10.8% | 9.0 - 12.4% |
| Advertising & Promotion | 45 | 1.3% | 0.9 - 1.6% |
| Occupancy (Excluding Utilities) | 45 | 1.5% | 0.8 - 1.9% |
| Utilities | 45 | 1.3% | 1.1 - 1.5% |
| Maintenance | 45 | 0.7% | 0.4 - 0.9% |
| Store Supplies | 45 | 1.1% | 1.0 - 1.3% |
| Interest | 45 | 0.3% | 0.1 - 0.5% |
| Other | 45 | 3.1% | 1.0 - 4.1% |
| Total Operating Expenses | 45 | 20.2% | 17.2 - 21.9% |
| Profit Before Tax | 45 | 2.2% | 0.9 - 3.1% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - 12,500 to 17,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 45 | $81.58 | $68.29 - 92.86 |
| Gross Margin per Labor Hour | 43 | $16.89 | $13.89 - 21.36 |
| Profit Before Tax per Labor Hour | 43 | $2.12 | $0.76 - 2.77 |
| Sales per Labor Dollar | 46 | $11.05 | $10.11 - 12.46 |
| Gross Margin per Labor Dollar | 46 | $2.41 | $2.23 - 2.58 |
| Transactions per Labor Hour | 41 | 5.5 | 4.9 - 6.5 |
| Payroll per Labor Hour | 43 | $7.01 | $5.89 - 9.00 |
| Benefits per Labor Hour | 42 | $1.15 | $0.60 - 1.66 |
| Payroll to Total Expenses | 46 | 46.4% | 44.2 - 49.7% |
| Benefits to Total Expenses | 44 | 8.2% | 4.0 - 11.0% |
| Payroll per Hour of Operation | 45 | $106.14 | $75.39 - 149.85 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 48 | 19,500 | 17,500 - 22,000 |
| Weekly Sales per Square Foot | 48 | $6.34 | $5.03 - 8.12 |
| Weekly Gross Margin per Square Foot | 46 | $1.34 | $1.02 - 1.99 |
| Weekly Profit Before Tax per Sq Ft | 46 | $0.16 | $0.05 - 0.27 |
| **Selling Area:** | | | |
| Average Square Footage | 48 | 14,967 | 14,000 - 16,000 |
| Weekly Sales per Square Foot | 48 | $8.14 | $6.33 - 12.22 |
| Weekly Gross Margin per Square Foot | 46 | $1.74 | $1.31 - 2.90 |
| Weekly Profit Before Tax per Sq Ft | 46 | $0.22 | $0.06 - 0.38 |
| Average Weekly Sales per Store | 48 | $128,859 | $99,403 - 194,760 |
| Number of Checkouts | 48 | 6 | 5 - 7 |
| Weekly Sales per Checkout | 48 | $20,595 | $17,139 - 25,092 |
| Weekly Transactions per Checkout | 43 | 1,475 | 1,284 - 1,735 |
| Selling Square Footage per Checkout | 48 | 2,310 | 2,105 - 2,735 |
| Occupancy Cost (incl utilities) per Sq Ft | 46 | $8.78 | $6.79 - 12.16 |
| Occupancy Cost (incl util) to Total Expense | 46 | 13.7% | 10.2 - 17.7% |
| Weekly Transactions per Sq Ft of Selling Area | 43 | 0.66 | 0.52 - 0.77 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 43 | 6.46 | 4.74 - 7.79 |
| Percentage of Selling Area to Total Area | 48 | 77.5% | 70.2 - 83.3% |
| Inventory Dollars per Sq Ft of Selling Area | 44 | $20.71 | $18.14 - 26.06 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - 12,500 to 17,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 45 | 19.2% | 16.5 - 21.1% |
| Meat | 45 | 22.9% | 19.4 - 24.2% |
| Produce | 45 | 31.8% | 29.3 - 34.0% |
| General Merchandise/HaBA | 23 | 29.2% | 25.8 - 31.6% |
| Beer/Wine | 17 | 19.9% | 15.3 - 23.8% |
| Service Deli | 35 | 39.2% | 36.6 - 43.3% |
| Scratch/Bake-Off Bakery | 24 | 49.6% | 39.4 - 54.1% |
| Frozen Food | 30 | 26.7% | 21.6 - 28.1% |
| Dairy | 28 | 19.7% | 17.3 - 21.1% |
| Other | 22 | 24.3% | 16.2 - 31.1% |
| Total Gross Margin | 45 | 22.4% | 19.7 - 24.3% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 42 | 14.6X | 11.6 - 18.7X |
| Meat | 44 | 42.5X | 34.9 - 58.7X |
| Produce | 44 | 56.9X | 45.1 - 73.9X |
| General Merchandise/HaBA | 21 | 4.9X | 3.1 - 7.3X |
| Beer/Wine | 15 | 12.5X | 8.7 - 14.7X |
| Service Deli | 33 | 24.9X | 21.1 - 31.8X |
| Scratch/Bake-Off Bakery | 20 | 28.7X | 15.8 - 35.7X |
| Frozen Food | 28 | 17.1X | 10.6 - 20.1X |
| Dairy | 26 | 40.2X | 27.1 - 46.2X |
| Other | 19 | 22.9X | 8.2 - 36.7X |
| Total Inventory Turnover | 44 | 18.3X | 14.4 - 22.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 42 | 363.2% | 275.3 - 435.1% |
| Meat | 44 | 1,246.3% | 847.2 - 1,825.9% |
| Produce | 44 | 2,613.0% | 2,125.7 - 3,614.7% |
| General Merchandise/HaBA | 21 | 193.7% | 134.2 - 294.8% |
| Beer/Wine | 15 | 219.6% | 157.9 - 471.4% |
| Service Deli | 33 | 1,531.8% | 1,325.3 - 2,250.0% |
| Scratch/Bake-Off Bakery | 20 | 2,447.8% | 1,979.5 - 3,566.3% |
| Frozen Food | 28 | 541.7% | 421.6 - 848.8% |
| Dairy | 26 | 971.1% | 665.2 - 1,095.4% |
| Other | 19 | 485.8% | 219.2 - 1,645.3% |
| Total GMROI | 44 | 482.9% | 373.8 - 704.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - 12,500 to 17,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 48 | 73.5% | 71.0 - 76.6% |
| Meat | 48 | 18.3% | 16.9 - 20.2% |
| Produce | 48 | 8.2% | 5.6 - 8.8% |
| Total Sales | 48 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 45 | 20.7% | 17.9 - 22.2% |
| Meat | 45 | 25.7% | 23.2 - 27.5% |
| Produce | 45 | 31.8% | 29.3 - 34.0% |
| Total Gross Margin | 45 | 22.4% | 19.7 - 24.3% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 42 | 15.2X | 11.3 - 19.0X |
| Meat | 44 | 39.7X | 32.0 - 49.1X |
| Produce | 44 | 56.9X | 45.1 - 73.9X |
| Total Inventory Turnover | 44 | 18.3X | 14.4 - 22.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 42 | 387.2% | 280.1 - 522.4% |
| Meat | 44 | 1,249.9% | 1,032.4 - 1,883.1% |
| Produce | 44 | 2,613.0% | 2,125.7 - 3,614.7% |
| Total GMROI | 44 | 482.9% | 373.8 - 704.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - OVER 17,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 58 | 4.3% | 1.8 - 8.5% |
| Average Transaction Size | 53 | $18.14 | $14.95 - 20.63 |
| Store Sales per Hour of Operation | 61 | $2,079 | $1,460 - 2,543 |
| **Distribution of Sales:** | | | |
| Grocery | 61 | 49.3% | 42.7 - 54.1% |
| Meat | 61 | 15.5% | 13.1 - 17.0% |
| Produce | 61 | 9.5% | 6.9 - 9.8% |
| General Merchandise/HaBA | 61 | 3.9% | 0.0 - 6.2% |
| Beer/Wine | 61 | 1.2% | 0.0 - 1.8% |
| Service Deli | 61 | 4.4% | 3.2 - 5.9% |
| Scratch/ Bake-Off Bakery | 61 | 2.0% | 0.0 - 3.0% |
| Frozen Food | 61 | 4.5% | 0.0 - 6.9% |
| Dairy | 61 | 6.8% | 0.0 - 9.8% |
| Other | 61 | 2.9% | 0.0 - 3.2% |
| Total | 61 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 61 | 70.6% | 67.9 - 74.7% |
| Meat | 61 | 19.3% | 18.1 - 21.5% |
| Produce | 61 | 9.5% | 6.9 - 9.8% |
| Total Sales | 61 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 55 | 20.8% | 19.3 - 22.4% |
| Meat | 55 | 26.6% | 24.0 - 29.1% |
| Produce | 55 | 31.3% | 28.0 - 33.9% |
| Total Gross Margin | 51 | 22.9% | 21.2 - 24.1% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 51 | 9.1% | 7.9 - 9.4% |
| Benefits | 51 | 1.9% | 1.2 - 2.2% |
| Total Store Labor Expense | 51 | 11.0% | 9.3 - 11.5% |
| Advertising & Promotion | 51 | 1.1% | 0.7 - 1.6% |
| Occupancy (Excluding Utilities) | 51 | 2.0% | 1.4 - 2.6% |
| Utilities | 51 | 1.0% | 0.8 - 1.2% |
| Maintenance | 51 | 0.5% | 0.4 - 0.7% |
| Store Supplies | 51 | 1.1% | 0.9 - 1.4% |
| Interest | 51 | 0.3% | 0.0 - 0.5% |
| Other | 51 | 3.5% | 2.1 - 5.0% |
| Total Operating Expenses | 51 | 20.6% | 18.8 - 22.2% |
| Profit Before Tax | 51 | 2.3% | 1.1 - 3.6% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

CONVENTIONAL SUPERMARKETS - - OVER 17,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 55 | $86.25 | $74.74 - 96.77 |
| Gross Margin per Labor Hour | 49 | $19.35 | $16.29 - 23.06 |
| Profit Before Tax per Labor Hour | 44 | $2.40 | $0.99 - 3.50 |
| Sales per Labor Dollar | 53 | $11.37 | $10.69 - 12.77 |
| Gross Margin per Labor Dollar | 51 | $2.60 | $2.31 - 2.78 |
| Transactions per Labor Hour | 51 | 4.8 | 3.9 - 5.8 |
| Payroll per Labor Hour | 46 | $6.80 | $6.23 - 8.83 |
| Benefits per Labor Hour | 45 | $1.35 | $0.82 - 2.17 |
| Payroll to Total Expenses | 53 | 44.8% | 41.5 - 48.7% |
| Benefits to Total Expenses | 52 | 8.3% | 5.5 - 11.2% |
| Payroll per Hour of Operation | 52 | $168.91 | $131.23 - 210.63 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 61 | 28,000 | 25,000 - 31,500 |
| Weekly Sales per Square Foot | 61 | $7.32 | $6.21 - 8.67 |
| Weekly Gross Margin per Square Foot | 55 | $1.67 | $1.34 - 2.03 |
| Weekly Profit Before Tax per Sq Ft | 50 | $0.17 | $0.08 - 0.29 |
| **Selling Area:** | | | |
| Average Square Footage | 62 | 20,413 | 19,000 - 24,000 |
| Weekly Sales per Square Foot | 62 | $9.69 | $8.03 - 12.38 |
| Weekly Gross Margin per Square Foot | 56 | $2.15 | $1.71 - 2.73 |
| Weekly Profit Before Tax per Sq Ft | 51 | $0.25 | $0.10 - 0.34 |
| Average Weekly Sales per Store | 62 | $214,886 | $173,871 - 265,955 |
| Number of Checkouts | 57 | 8 | 7 - 10 |
| Weekly Sales per Checkout | 57 | $25,043 | $22,274 - 28,324 |
| Weekly Transactions per Checkout | 51 | 1,389 | 1,266 - 1,642 |
| Selling Square Footage per Checkout | 57 | 2,500 | 2,222 - 3,000 |
| Occupancy Cost (incl utilities) per Sq Ft | 52 | $10.28 | $8.41 - 14.78 |
| Occupancy Cost (incl util) to Total Expense | 53 | 15.1% | 11.6 - 18.4% |
| Weekly Transactions per Sq Ft of Selling Area | 53 | 0.53 | 0.43 - 0.70 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 53 | 5.65 | 4.26 - 6.84 |
| Percentage of Selling Area to Total Area | 61 | 77.8% | 70.0 - 83.3% |
| Inventory Dollars per Sq Ft of Selling Area | 55 | $19.34 | $15.64 - 24.90 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - OVER 17,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 55 | 18.9% | 17.2 - 20.2% |
| Meat | 55 | 23.0% | 20.2 - 25.0% |
| Produce | 55 | 31.3% | 28.0 - 33.9% |
| General Merchandise/HaBA | 35 | 26.5% | 25.1 - 29.5% |
| Beer/Wine | 20 | 17.5% | 14.3 - 20.7% |
| Service Deli | 52 | 39.9% | 34.8 - 43.6% |
| Scratch/Bake-Off Bakery | 39 | 52.3% | 44.3 - 62.9% |
| Frozen Food | 39 | 25.6% | 22.4 - 27.8% |
| Dairy | 39 | 20.1% | 18.5 - 21.9% |
| Other | 40 | 15.9% | 18.2 - 32.0% |
| Total Gross Margin | 51 | 22.9% | 21.2 - 24.1% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 52 | 16.6X | 14.6 - 20.3X |
| Meat | 52 | 43.9X | 35.7 - 53.5X |
| Produce | 52 | 59.0X | 39.8 - 82.5X |
| General Merchandise/HaBA | 35 | 6.6X | 5.3 - 8.9X |
| Beer/Wine | 20 | 11.2X | 7.9 - 14.0X |
| Service Deli | 48 | 26.7X | 22.9 - 32.4X |
| Scratch/Bake-Off Bakery | 36 | 19.6X | 13.0 - 30.0X |
| Frozen Food | 36 | 18.9X | 15.7 - 23.5X |
| Dairy | 36 | 41.6X | 32.7 - 47.7X |
| Other | 36 | 12.7X | 5.8 - 24.8X |
| Total Inventory Turnover | 53 | 19.2X | 16.8 - 21.7X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 52 | 374.7% | 298.6 - 500.7% |
| Meat | 52 | 1,261.3% | 992.3 - 1,676.4% |
| Produce | 52 | 2,761.2% | 1,714.1 - 3,441.8% |
| General Merchandise/HaBA | 35 | 221.1% | 184.6 - 295.2% |
| Beer/Wine | 20 | 202.5% | 118.1 - 362.6% |
| Service Deli | 48 | 1,767.9% | 1,350.6 - 2,161.0% |
| Scratch/Bake-Off Bakery | 36 | 2,008.8% | 1,425.9 - 3,373.3% |
| Frozen Food | 36 | 652.7% | 470.6 - 856.5% |
| Dairy | 36 | 967.2% | 752.0 - 1,203.1% |
| Other | 36 | 324.4% | 203.6 - 635.4% |
| Total GMROI | 53 | 568.4% | 443.6 - 658.6% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## CONVENTIONAL SUPERMARKETS - - OVER 17,000 SQ FT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 61 | 70.6% | 67.9 - 74.7% |
| Meat | 61 | 19.9% | 18.1 - 21.5% |
| Produce | 61 | 9.5% | 6.9 - 9.8% |
| Total Sales | 61 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 55 | 20.8% | 19.3 - 22.4% |
| Meat | 55 | 26.6% | 24.0 - 29.1% |
| Produce | 55 | 31.3% | 28.0 - 33.9% |
| Total Gross Margin | 51 | 22.9% | 21.2 - 24.1% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 52 | 16.3X | 13.8 - 18.5X |
| Meat | 52 | 40.3X | 31.8 - 48.2X |
| Produce | 52 | 59.0X | 39.8 - 82.5X |
| Total Inventory Turnover | 53 | 19.2X | 16.8 - 21.7X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 52 | 416.8% | 335.8 - 471.4% |
| Meat | 52 | 1,399.1% | 1,110.2 - 1,814.8% |
| Produce | 52 | 2,761.2% | 1,714.1 - 3,441.8% |
| Total GMROI | 53 | 568.4% | 443.6 - 658.6% |

# Super Stores

# Overview of Performance--Super Stores

The typical super store retailer generated $301,921 of sales per week with an average transaction size of $17.30. Sales per hour of operation was reported at $2,375.

Gross margin was 22.4% of sales while operating expenses were 20.6% of sales, leaving 1.8% of sales for profit. Labor expenses were reported as 10.8% of sales.

Inventory turnover for the typical super store operator was 18.7 times while gross margin return on inventory (GMROI) was 609.0%.

The typical super store was 43,500 square feet with selling area constituting about 75% total store area. Sales per square foot of selling area was $8.67 and profits per square foot were $0.16.

The table below highlights selected key ratios for 1989 and the previous five years for all super store operators responding to the FMI survey.

**All Responding Super Store Operators**
**1984--1989**

| | 1989 | 1988 | 1987 | 1986 | 1985 | 1984 |
|---|---|---|---|---|---|---|
| **SALES DATA** | | | | | | |
| Average Weekly Sales per Store | $301,921 | $352,682 | $298,907 | $245,521 | $261,538 | $213,462 |
| Sales per Labor Hour | $78.25 | $95.16 | $91.49 | $85.99 | $91.25 | $85.47 |
| Average Transaction Size | $17.30 | $19.42 | $18.99 | $18.28 | $16.94 | $16.83 |
| **SPACE DATA** | | | | | | |
| Total Store Area (square feet) | 43,500 | 45,145 | 39,500 | 35,500 | 35,000 | 34,500 |
| Selling Area (square feet) | 31,998 | 34,300 | 27,653 | 27,400 | 27,500 | 25,500 |
| Weekly Sales per Sq. ft. of Selling Area | $8.67 | $10.11 | $11.02 | $9.08 | $8.04 | $8.85 |
| **INVENTORY DATA** | | | | | | |
| Inventory Turnover (times) | 18.7x | 19.5x | 23.1x | 18.3x | 21.4x | 19.4x |
| Gross Profit Margin | 22.4% | 22.1% | 23.5% | 22.8% | 22.9% | 21.8% |
| GMROI | 609.0% | 562.5% | 674.0% | 489.1% | 598.2% | 553.1% |
| **PROFIT DATA** | | | | | | |
| Net Profit Margin Before Tax | 1.8% | 1.1% | 2.5% | 1.0% | 1.6% | 2.4% |
| **OPERATING EXPENSE DATA** (as a % of sales) | | | | | | |
| Total Operating Expense | 20.6% | 20.9% | 20.3% | 20.9% | 18.1% | 20.5% |
| Store Labor Expense: | | | | | | |
| Direct/Regular | 8.6% | 8.6% | 8.8% | 9.2% | 8.2% | 8.8% |
| Fringe Benefits | 2.1% | 2.5% | 1.7% | 1.5% | 1.3% | 1.8% |

# Super Stores--High Profit versus Low Profit

One of the most beneficial outcomes of studying industry performance statistics is understanding the operating characteristics of highly profitable stores. These stores, referred to as the "Most Profitable Stores" in this report, are defined as those whose profits as a percent of sales are in the upper 50th percentile of the sample.

An understanding of why these stores were successful can provide important clues for improvement to those stores whose profit performance was below average. However, food retailers are cautioned not to made indiscriminate changes in their operations to conform to the industry profit leaders. Rather, many formulas for success exist and are specific to each individual situation. But by focusing on the characteristics of high profit stores, it is possible to identify those areas most worthy of managerial attention.

Compared with the least profitable group of stores, the 1989 high profit stores exhibited:

- Lower sales growth. The high profit stores reported a 5.7% increase in sales while low profit stores reported a 7.9% increase.
- Higher transaction size ($18.19 versus $17.11).
- Higher sales volumes. High profit stores reported nearly $400,000 of sales per week while low profit stores reported approximately $300,000 per week.
- Higher inventory turnover (19.4x versus 18.2x), higher gross margins (23.9% versus 20.6%), and higher GMROI (700.4% versus 390.5%).
- Better expense control. The high profit super store kept expenses as a percent of sales to 20.3% while low profit stores reported expenses of 20.9% of sales.
- More productive personnel with sales per labor hour $28 higher ($97.61 versus $69.57).

The most revealing difference is shown in the income statements of the two groups. As shown on the next page, the higher gross margins greatly contributed to higher profits for the "most profitable" group.

| 1989 Summary Income Statement (Numbers Expressed as a % of Total Sales) | | |
|---|---|---|
| | Most Profitable Stores | Least Profitable Stores |
| **Sales:** | | |
| Grocery | 74.8% | 74.0% |
| Meat | 17.3 | 18.7 |
| Produce | 7.9 | 7.3 |
| Total Sales | 100.0% | 100.0% |
| **Gross Margins:** | | |
| Grocery | 22.3 | 19.3 |
| Meat | 27.3 | 22.5 |
| Produce | 32.0 | 29.2 |
| Total Gross Margin | 23.9 | 20.6 |
| **Operating Expenses:** | | |
| Store Labor: | | |
| Regular | 8.8 | 8.4 |
| Benefits | 2.6 | 1.5 |
| Total Store Labor Expense | 11.5 | 9.9 |
| Advertising & Promotion | 1.1 | 1.2 |
| Occupancy (Excluding Utilities) | 2.3 | 3.4 |
| Utilities | 0.8 | 1.1 |
| Maintenance | 0.6 | 0.6 |
| Store Supplies | 1.2 | 1.4 |
| Interest | 0.3 | 0.5 |
| Other | 2.6 | 2.8 |
| Total Operating Expenses | 20.3 | 20.9 |
| **Profit Before Tax** | 3.6 | -0.3 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 21 | 6.9% | 3.1 - 15.6% |
| Average Transaction Size | 22 | $17.30 | $16.14 - 20.43 |
| Store Sales per Hour of Operation | 22 | $2,375 | $1,746 - 2,941 |
| **Distribution of Sales:** | | | |
| Grocery | 21 | 45.7% | 40.6 - 48.8% |
| Meat | 21 | 13.3% | 11.8 - 14.5% |
| Produce | 21 | 7.7% | 6.7 - 8.2% |
| General Merchandise/HaBA | 21 | 6.7% | 4.4 - 8.9% |
| Beer/Wine | 21 | 2.6% | 0.0 - 4.6% |
| Service Deli | 21 | 5.0% | 3.3 - 5.8% |
| Scratch/ Bake-Off Bakery | 21 | 2.5% | 1.7 - 3.6% |
| Frozen Food | 21 | 5.8% | 6.5 - 7.4% |
| Dairy | 21 | 7.3% | 8.0 - 9.6% |
| Other | 21 | 3.4% | 0.8 - 5.9% |
| Total | 21 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 21 | 74.0% | 71.3 - 77.3% |
| Meat | 21 | 18.3% | 15.2 - 21.4% |
| Produce | 21 | 7.7% | 6.7 - 8.2% |
| Total Sales | 21 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 21 | 21.0% | 18.2 - 23.4% |
| Meat | 21 | 25.2% | 22.4 - 26.9% |
| Produce | 21 | 31.0% | 29.3 - 35.0% |
| Total Gross Margin | 20 | 22.4% | 19.8 - 25.4% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 20 | 8.6% | 7.5 - 9.9% |
| Benefits | 20 | 2.1% | 1.1 - 2.8% |
| Total Store Labor Expense | 20 | 10.8% | 9.5 - 12.4% |
| Advertising & Promotion | 20 | 1.1% | 0.6 - 1.6% |
| Occupancy (Excluding Utilities) | 20 | 2.8% | 2.0 - 3.3% |
| Utilities | 20 | 0.9% | 0.7 - 1.2% |
| Maintenance | 20 | 0.6% | 0.5 - 0.8% |
| Store Supplies | 20 | 1.3% | 1.1 - 1.4% |
| Interest | 20 | 0.4% | 0.0 - 0.7% |
| Other | 20 | 2.7% | 1.0 - 3.9% |
| Total Operating Expenses | 20 | 20.6% | 18.4 - 22.7% |
| Profit Before Tax | 20 | 1.8% | 0.8 - 2.8% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 20 | $78.25 | $68.19 - 110.19 |
| Gross Margin per Labor Hour | 19 | $17.93 | $14.29 - 20.45 |
| Profit Before Tax per Labor Hour | 18 | $1.60 | $0.04 - 2.43 |
| Sales per Labor Dollar | 20 | $11.32 | $10.11 - 13.43 |
| Gross Margin per Labor Dollar | 20 | $2.75 | $2.47 - 2.85 |
| Transactions per Labor Hour | 20 | 4.1 | 3.5 - 5.3 |
| Payroll per Labor Hour | 18 | $6.62 | $5.81 - 7.51 |
| Benefits per Labor Hour | 18 | $1.24 | $0.96 - 2.19 |
| Payroll to Total Expenses | 20 | 41.3% | 39.3 - 44.2% |
| Benefits to Total Expenses | 20 | 8.8% | 6.5 - 13.1% |
| Payroll per Hour of Operation | 20 | $184.71 | $115.64 - 269.01 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 22 | 43,500 | 37,250 - 50,000 |
| Weekly Sales per Square Foot | 22 | $6.75 | $5.97 - 9.76 |
| Weekly Gross Margin per Square Foot | 21 | $1.44 | $1.14 - 2.95 |
| Weekly Profit Before Tax per Sq Ft | 20 | $0.13 | $0.05 - 0.28 |
| **Selling Area:** | | | |
| Average Square Footage | 22 | 31,998 | 28,250 - 37,125 |
| Weekly Sales per Square Foot | 22 | $8.67 | $7.48 - 13.37 |
| Weekly Gross Margin per Square Foot | 21 | $1.98 | $1.49 - 4.01 |
| Weekly Profit Before Tax per Sq Ft | 20 | $0.16 | $0.06 - 0.38 |
| Average Weekly Sales per Store | 22 | $301,921 | $226,095 - 396,203 |
| Number of Checkouts | 22 | 11 | 9 - 13 |
| Weekly Sales per Checkout | 22 | $28,812 | $24,096 - 31,847 |
| Weekly Transactions per Checkout | 22 | 1,512 | 1,332 - 1,863 |
| Selling Square Footage per Checkout | 22 | 3,118 | 2,506 - 3,552 |
| Occupancy Cost (incl utilities) per Sq Ft | 20 | $13.55 | $11.01 - 17.72 |
| Occupancy Cost (incl util) to Total Expense | 20 | 16.1% | 13.8 - 24.1% |
| Weekly Transactions per Sq Ft of Selling Area | 22 | 0.50 | 0.40 - 0.63 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 22 | 3.85 | 2.48 - 5.24 |
| Percentage of Selling Area to Total Area | 22 | 75.1% | 71.9 - 81.1% |
| Inventory Dollars per Sq Ft of Selling Area | 21 | $21.45 | $15.64 - 26.04 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 21 | 17.9% | 16.3 - 21.1% |
| Meat | 21 | 20.0% | 17.7 - 22.2% |
| Produce | 21 | 31.0% | 29.3 - 35.0% |
| General Merchandise/HaBA | 20 | 25.6% | 22.4 - 30.2% |
| Beer/Wine | 11 | 19.6% | 12.5 - 26.4% |
| Service Deli | 21 | 38.4% | 29.2 - 46.4% |
| Scratch/Bake-Off Bakery | 19 | 48.4% | 31.9 - 64.2% |
| Frozen Food | 17 | 23.6% | 18.8 - 27.8% |
| Dairy | 17 | 18.6% | 15.7 - 21.1% |
| Other | 17 | 31.6% | 30.1 - 35.1% |
| Total Gross Margin | 20 | 22.4% | 19.8 - 25.4% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 21 | 20.0X | 16.9 - 22.7X |
| Meat | 21 | 44.1X | 31.2 - 61.3X |
| Produce | 21 | 67.4X | 49.6 - 81.1X |
| General Merchandise/HaBA | 20 | 6.0X | 5.2 - 7.2X |
| Beer/Wine | 11 | 8.1X | 7.7 - 11.5X |
| Service Deli | 21 | 28.3X | 21.0 - 38.7X |
| Scratch/Bake-Off Bakery | 19 | 26.4X | 19.1 - 54.1X |
| Frozen Food | 17 | 24.6X | 21.3 - 30.2X |
| Dairy | 17 | 45.6X | 39.3 - 53.2X |
| Other | 16 | 10.3X | 8.5 - 12.8X |
| Total Inventory Turnover | 21 | 18.7X | 16.4 - 22.6X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 21 | 429.1% | 276.5 - 585.0% |
| Meat | 21 | 1,174.6% | 661.5 - 1,845.5% |
| Produce | 21 | 2,798.9% | 2,100.0 - 4,403.3% |
| General Merchandise/HaBA | 20 | 203.8% | 176.0 - 277.8% |
| Beer/Wine | 11 | 230.3% | 156.4 - 284.6% |
| Service Deli | 21 | 2,053.1% | 837.2 - 2,997.8% |
| Scratch/Bake-Off Bakery | 19 | 2,794.1% | 2,148.6 - 3,754.3% |
| Frozen Food | 17 | 725.0% | 673.9 - 867.8% |
| Dairy | 17 | 985.6% | 791.7 - 1,410.4% |
| Other | 16 | 473.2% | 342.9 - 569.7% |
| Total GMROI | 21 | 609.0% | 390.5 - 755.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 21 | 74.0% | 71.3 - 77.3% |
| Meat | 21 | 18.3% | 15.2 - 21.4% |
| Produce | 21 | 7.7% | 6.7 - 8.2% |
| Total Sales | 21 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 21 | 21.0% | 18.2 - 23.4% |
| Meat | 21 | 25.2% | 22.4 - 26.9% |
| Produce | 21 | 31.0% | 29.3 - 35.0% |
| Total Gross Margin | 20 | 22.4% | 19.8 - 25.4% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 21 | 16.1X | 13.4 - 20.0X |
| Meat | 21 | 39.6X | 29.6 - 49.6X |
| Produce | 21 | 67.4X | 49.6 - 81.1X |
| Total Inventory Turnover | 21 | 18.7X | 16.4 - 22.6X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 21 | 462.6% | 312.5 - 553.1% |
| Meat | 21 | 1,435.0% | 766.4 - 2,134.6% |
| Produce | 21 | 2,798.9% | 2,100.0 - 4,403.3% |
| Total GMROI | 21 | 609.0% | 390.5 - 755.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## SUPER STORES - - WEEKLY SALES UNDER $325,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 11 | 5.3% | 1.2 - 7.9% |
| Average Transaction Size | 12 | $16.64 | $15.63 - 17.21 |
| Store Sales per Hour of Operation | 12 | $1,759 | $1,211 - 2,388 |
| **Distribution of Sales:** | | | |
| Grocery | 11 | 47.6% | 38.8 - 51.6% |
| Meat | 11 | 14.5% | 13.1 - 15.7% |
| Produce | 11 | 7.8% | 6.6 - 8.4% |
| General Merchandise/HaBA | 11 | 4.8% | 2.8 - 6.7% |
| Beer/Wine | 11 | 2.6% | 0.0 - 4.3% |
| Service Deli | 11 | 4.9% | 3.3 - 5.2% |
| Scratch/ Bake-Off Bakery | 11 | 2.6% | 1.8 - 3.7% |
| Frozen Food | 11 | 6.0% | 6.6 - 7.3% |
| Dairy | 11 | 7.6% | 8.1 - 9.8% |
| Other | 11 | 1.6% | 0.0 - 1.6% |
| Total | 11 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 11 | 72.9% | 69.8 - 76.7% |
| Meat | 11 | 19.4% | 16.3 - 21.7% |
| Produce | 11 | 7.8% | 6.6 - 8.4% |
| Total Sales | 11 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 11 | 20.5% | 18.0 - 23.2% |
| Meat | 11 | 22.7% | 21.0 - 26.0% |
| Produce | 11 | 30.8% | 28.8 - 33.5% |
| Total Gross Margin | 10 | 21.4% | 19.4 - 24.5% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 10 | 8.6% | 7.3 - 10.2% |
| Benefits | 10 | 1.7% | 1.0 - 2.4% |
| Total Store Labor Expense | 10 | 10.3% | 9.0 - 12.2% |
| Advertising & Promotion | 10 | 1.2% | 0.7 - 1.8% |
| Occupancy (Excluding Utilities) | 10 | 3.0% | 2.2 - 3.6% |
| Utilities | 10 | 1.1% | 0.8 - 1.2% |
| Maintenance | 10 | 0.6% | 0.5 - 0.8% |
| Store Supplies | 10 | 1.3% | 1.1 - 1.5% |
| Interest | 10 | 0.4% | 0.0 - 0.7% |
| Other | 10 | 2.6% | 0.9 - 3.8% |
| Total Operating Expenses | 10 | 20.4% | 18.3 - 23.0% |
| Profit Before Tax | 10 | 1.0% | -0.1 - 2.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - WEEKLY SALES UNDER $325,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 12 | $70.01 | $58.90 - 83.99 |
| Gross Margin per Labor Hour | 11 | $14.84 | $13.97 - 18.00 |
| Profit Before Tax per Labor Hour | 10 | $1.16 | -$0.19 - 1.64 |
| Sales per Labor Dollar | 10 | $11.32 | $9.82 - 13.65 |
| Gross Margin per Labor Dollar | 10 | $2.65 | $2.33 - 2.83 |
| Transactions per Labor Hour | 12 | 4.2 | 3.7 - 5.1 |
| Payroll per Labor Hour | 10 | $5.95 | $5.23 - 6.95 |
| Benefits per Labor Hour | 10 | $1.09 | $0.90 - 1.58 |
| Payroll to Total Expenses | 10 | 40.4% | 39.7 - 44.9% |
| Benefits to Total Expenses | 10 | 7.2% | 5.8 - 11.2% |
| Payroll per Hour of Operation | 10 | $115.05 | $85.50 - 171.20 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 12 | 39,000 | 35,825 - 42,250 |
| Weekly Sales per Square Foot | 12 | $6.15 | $5.36 - 6.83 |
| Weekly Gross Margin per Square Foot | 11 | $1.25 | $1.13 - 1.46 |
| Weekly Profit Before Tax per Sq Ft | 10 | $0.09 | -$0.01 - 0.13 |
| **Selling Area:** | | | |
| Average Square Footage | 12 | 29,000 | 27,475 - 30,563 |
| Weekly Sales per Square Foot | 12 | $7.93 | $7.02 - 9.16 |
| Weekly Gross Margin per Square Foot | 11 | $1.55 | $1.37 - 2.00 |
| Weekly Profit Before Tax per Sq Ft | 10 | $0.11 | -$0.01 - 0.16 |
| Average Weekly Sales per Store | 12 | $229,734 | $203,484 - 299,852 |
| Number of Checkouts | 12 | 9 | 9 - 10 |
| Weekly Sales per Checkout | 12 | $24,217 | $22,366 - 30,789 |
| Weekly Transactions per Checkout | 12 | 1,457 | 1,347 - 1,979 |
| Selling Square Footage per Checkout | 12 | 3,224 | 3,021 - 3,406 |
| Occupancy Cost (incl utilities) per Sq Ft | 10 | $12.75 | $9.00 - 14.55 |
| Occupancy Cost (incl util) to Total Expense | 10 | 19.9% | 15.4 - 23.2% |
| Weekly Transactions per Sq Ft of Selling Area | 12 | 0.45 | 0.40 - 0.55 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 12 | 3.41 | 2.40 - 4.24 |
| Percentage of Selling Area to Total Area | 12 | 75.0% | 71.1 - 80.7% |
| Inventory Dollars per Sq Ft of Selling Area | 11 | $18.17 | $14.69 - 23.33 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## SUPER STORES - - WEEKLY SALES UNDER $325,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 11 | 18.5% | 16.9 - 21.4% |
| Meat | 11 | 18.5% | 16.9 - 21.3% |
| Produce | 11 | 30.8% | 28.8 - 33.5% |
| General Merchandise/HaBA | 10 | 24.6% | 22.7 - 27.4% |
| Beer/Wine | 7 | 17.2% | 10.9 - 23.5% |
| Service Deli | 11 | 35.0% | 25.1 - 43.1% |
| Scratch/Bake-Off Bakery | 10 | 42.8% | 28.7 - 53.2% |
| Frozen Food | 9 | 23.5% | 18.8 - 27.0% |
| Dairy | 9 | 18.6% | 15.7 - 21.0% |
| Other | 7 | 32.0% | 26.8 - 35.6% |
| Total Gross Margin | 10 | 21.4% | 19.4 - 24.5% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 11 | 16.9X | 12.3 - 20.1X |
| Meat | 11 | 43.2X | 28.8 - 50.0X |
| Produce | 11 | 64.4X | 44.1 - 74.6X |
| General Merchandise/HaBA | 10 | 5.1X | 4.2 - 5.5X |
| Beer/Wine | 7 | 10.8X | 8.0 - 12.7X |
| Service Deli | 11 | 26.1X | 16.4 - 41.1X |
| Scratch/Bake-Off Bakery | 10 | 46.2X | 20.6 - 67.4X |
| Frozen Food | 9 | 21.9X | 21.0 - 24.8X |
| Dairy | 9 | 39.3X | 34.1 - 53.2X |
| Other | 6 | 9.4X | |
| Total Inventory Turnover | 11 | 17.3X | 14.0 - 18.9X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 11 | 294.9% | 255.5 - 490.4% |
| Meat | 11 | 1,103.5% | 544.8 - 1,423.8% |
| Produce | 11 | 2,325.5% | 1,894.8 - 3,735.5% |
| General Merchandise/HaBA | 10 | 171.8% | 155.9 - 190.9% |
| Beer/Wine | 7 | 183.9% | 129.3 - 339.3% |
| Service Deli | 11 | 1,162.3% | 624.1 - 2,152.9% |
| Scratch/Bake-Off Bakery | 10 | 2,660.7% | 2,141.8 - 2,916.3% |
| Frozen Food | 9 | 719.4% | 673.9 - 788.1% |
| Dairy | 9 | 985.6% | 619.5 - 1,344.9% |
| Other | 6 | 425.4% | |
| Total GMROI | 11 | 404.7% | 356.6 - 623.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - WEEKLY SALES UNDER $325,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 11 | 72.9% | 69.8 - 76.7% |
| Meat | 11 | 19.4% | 16.3 - 21.7% |
| Produce | 11 | 7.8% | 6.6 - 8.4% |
| Total Sales | 11 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 11 | 20.5% | 18.0 - 23.2% |
| Meat | 11 | 22.7% | 21.0 - 26.0% |
| Produce | 11 | 30.8% | 28.8 - 33.5% |
| Total Gross Margin | 10 | 21.4% | 19.4 - 24.5% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 11 | 14.2X | 12.0 - 16.9X |
| Meat | 11 | 39.6X | 23.6 - 44.5X |
| Produce | 11 | 64.4X | 44.1 - 74.6X |
| Total Inventory Turnover | 11 | 17.3X | 14.0 - 18.9X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 11 | 315.9% | 284.8 - 465.0% |
| Meat | 11 | 1,121.4% | 577.8 - 1,590.4% |
| Produce | 11 | 2,325.5% | 1,894.8 - 3,735.5% |
| Total GMROI | 11 | 404.7% | 356.6 - 623.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - WEEKLY SALES OVER $325,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 10 | 11.1% | 6.6 - 15.8% |
| Average Transaction Size | 10 | $19.95 | $18.44 - 29.52 |
| Store Sales per Hour of Operation | 10 | $3,020 | $2,486 - 5,884 |
| **Distribution of Sales:** | | | |
| Grocery | 10 | 43.7% | 42.1 - 46.2% |
| Meat | 10 | 12.0% | 11.1 - 13.1% |
| Produce | 10 | 7.7% | 7.0 - 8.1% |
| General Merchandise/HaBA | 10 | 8.7% | 7.2 - 11.3% |
| Beer/Wine | 10 | 2.5% | 0.0 - 5.6% |
| Service Deli | 10 | 5.2% | 3.1 - 6.2% |
| Scratch/ Bake-Off Bakery | 10 | 2.3% | 1.4 - 3.5% |
| Frozen Food | 10 | 5.7% | 5.2 - 7.8% |
| Dairy | 10 | 6.9% | 5.4 - 9.5% |
| Other | 10 | 5.4% | 2.2 - 7.2% |
| Total | 10 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 10 | 75.1% | 72.7 - 78.5% |
| Meat | 10 | 17.2% | 14.9 - 18.5% |
| Produce | 10 | 7.7% | 7.0 - 8.1% |
| Total Sales | 10 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 10 | 21.6% | 18.8 - 25.8% |
| Meat | 10 | 28.0% | 25.2 - 31.7% |
| Produce | 10 | 31.2% | 29.7 - 34.9% |
| Total Gross Margin | 10 | 23.5% | 20.6 - 27.5% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 10 | 8.7% | 8.3 - 9.5% |
| Benefits | 10 | 2.5% | 1.3 - 3.4% |
| Total Store Labor Expense | 10 | 11.2% | 10.1 - 12.8% |
| Advertising & Promotion | 10 | 1.0% | 0.4 - 1.6% |
| Occupancy (Excluding Utilities) | 10 | 2.6% | 2.0 - 2.7% |
| Utilities | 10 | 0.8% | 0.5 - 0.8% |
| Maintenance | 10 | 0.7% | 0.5 - 0.9% |
| Store Supplies | 10 | 1.3% | 1.1 - 1.4% |
| Interest | 10 | 0.4% | 0.0 - 0.7% |
| Other | 10 | 2.8% | 1.3 - 3.6% |
| Total Operating Expenses | 10 | 20.8% | 20.1 - 22.3% |
| Profit Before Tax | 10 | 2.7% | 1.6 - 5.1% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - WEEKLY SALES OVER $325,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 8 | $110.64 | $89.18 - 115.17 |
| Gross Margin per Labor Hour | 8 | $21.73 | $18.54 - 25.14 |
| Profit Before Tax per Labor Hour | 8 | $2.27 | $1.33 - 2.59 |
| Sales per Labor Dollar | 10 | $11.32 | $10.58 - 12.01 |
| Gross Margin per Labor Dollar | 10 | $2.76 | $2.53 - 2.86 |
| Transactions per Labor Hour | 8 | 3.9 | 3.5 - 5.4 |
| Payroll per Labor Hour | 8 | $8.03 | $6.34 - 9.51 |
| Benefits per Labor Hour | 8 | $2.07 | $1.14 - 2.88 |
| Payroll to Total Expenses | 10 | 42.5% | 39.2 - 43.7% |
| Benefits to Total Expenses | 10 | 12.4% | 7.5 - 15.5% |
| Payroll per Hour of Operation | 10 | $270.34 | $223.90 - 551.60 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 10 | 51,815 | 44,495 - 57,850 |
| Weekly Sales per Square Foot | 10 | $10.65 | $6.79 - 12.60 |
| Weekly Gross Margin per Square Foot | 10 | $2.99 | $1.40 - 3.08 |
| Weekly Profit Before Tax per Sq Ft | 10 | $0.29 | $0.10 - 0.57 |
| **Selling Area:** | | | |
| Average Square Footage | 10 | 37,761 | 33,250 - 43,625 |
| Weekly Sales per Square Foot | 10 | $14.54 | $8.71 - 17.28 |
| Weekly Gross Margin per Square Foot | 10 | $4.03 | $1.88 - 4.09 |
| Weekly Profit Before Tax per Sq Ft | 10 | $0.37 | $0.12 - 0.79 |
| Average Weekly Sales per Store | 10 | $437,434 | $378,922 - 611,094 |
| Number of Checkouts | 10 | 14 | 12 - 19 |
| Weekly Sales per Checkout | 10 | $30,406 | $28,614 - 32,266 |
| Weekly Transactions per Checkout | 10 | 1,573 | 1,051 - 1,822 |
| Selling Square Footage per Checkout | 10 | 2,441 | 1,731 - 3,688 |
| Occupancy Cost (incl utilities) per Sq Ft | 10 | $15.64 | $13.18 - 19.63 |
| Occupancy Cost (incl util) to Total Expense | 10 | 14.2% | 12.7 - 23.2% |
| Weekly Transactions per Sq Ft of Selling Area | 10 | 0.55 | 0.43 - 0.77 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 10 | 5.10 | 3.91 - 5.71 |
| Percentage of Selling Area to Total Area | 10 | 75.3% | 72.9 - 85.1% |
| Inventory Dollars per Sq Ft of Selling Area | 10 | $26.07 | $17.60 - 29.61 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - WEEKLY SALES OVER $325,000

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 10 | 17.3% | 14.3 - 20.6% |
| Meat | 10 | 21.6% | 19.7 - 24.7% |
| Produce | 10 | 31.2% | 29.7 - 34.9% |
| General Merchandise/HaBA | 10 | 26.6% | 22.3 - 30.8% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 10 | 42.1% | 38.4 - 47.1% |
| Scratch/Bake-Off Bakery | 9 | 54.7% | 42.3 - 67.0% |
| Frozen Food | 8 | 23.7% | 21.9 - 27.8% |
| Dairy | 8 | 18.7% | 15.0 - 23.2% |
| Other | 10 | 31.3% | 30.4 - 3[illegible]% |
| Total Gross Margin | 10 | 23.5% | 20.6 - 27.5% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 10 | 23.2X | 20.6 - 26.5X |
| Meat | 10 | 54.5X | 37.0 - 69.4X |
| Produce | 10 | 77.3X | 60.7 - 107.3X |
| General Merchandise/HaBA | 10 | 7.5X | 6.6 - 9.9X |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 10 | 28.9X | 24.6 - 37.8X |
| Scratch/Bake-Off Bakery | 9 | 23.3X | 18.1 - 34.5X |
| Frozen Food | 8 | 28.9X | 24.0 - 30.9X |
| Dairy | 8 | 45.8X | 44.8 - 49.9X |
| Other | 10 | 11.0X | 9.0 - 14.4X |
| Total Inventory Turnover | 10 | 21.6X | 18.8 - 24.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 10 | 549.3% | 375.8 - 651.8% |
| Meat | 10 | 1,757.7% | 974.7 - 1,975.8% |
| Produce | 10 | 4,201.3% | 2,347.1 - 4,613.3% |
| General Merchandise/HaBA | 10 | 281.9% | 234.9 - 336.1% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 10 | 2,272.1% | 2,085.3 - 3,039.0% |
| Scratch/Bake-Off Bakery | 9 | 3,403.9% | 2,177.3 - 3,992.2% |
| Frozen Food | 8 | 811.0% | 658.8 - 1,180.7% |
| Dairy | 8 | 1,067.7% | 853.6 - 1,442.4% |
| Other | 10 | 473.2% | 416.3 - 614.9% |
| Total GMROI | 10 | 682.8% | 600.1 - 781.3% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - WEEKLY SALES OVER $325,000

## SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Distribution of Sales:** | | | |
| Grocery | 10 | 75.1% | 72.7 - 78.5% |
| Meat | 10 | 17.2% | 14.9 - 18.5% |
| Produce | 10 | 7.7% | 7.0 - 8.1% |
| Total Sales | 10 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 10 | 21.6% | 18.8 - 25.8% |
| Meat | 10 | 28.0% | 25.2 - 31.7% |
| Produce | 10 | 31.2% | 29.7 - 34.9% |
| Total Gross Margin | 10 | 23.5% | 20.6 - 27.5% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 10 | 19.7X | 15.5 - 21.2X |
| Meat | 10 | 43.1X | 32.6 - 54.2X |
| Produce | 10 | 77.3X | 60.7 - 107.3X |
| Total Inventory Turnover | 10 | 21.6X | 18.8 - 24.5X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 10 | 518.1% | 469.5 - 554.0% |
| Meat | 10 | 2,008.7% | 1,194.0 - 2,382.8% |
| Produce | 10 | 4,201.3% | 2,347.1 - 4,613.3% |
| Total GMROI | 10 | 682.8% | 600.1 - 781.3% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - MOST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 11 | 5.7% | 3.7 - 11.1% |
| Average Transaction Size | 11 | $18.19 | $16.41 - 26.63 |
| Store Sales per Hour of Operation | 11 | $2,382 | $2,067 - 4,968 |
| **Distribution of Sales:** | | | |
| Grocery | 11 | 43.0% | 39.5 - 46.9% |
| Meat | 11 | 12.3% | 11.2 - 12.7% |
| Produce | 11 | 7.9% | 7.1 - 8.4% |
| General Merchandise/HaBA | 11 | 8.1% | 6.6 - 10.7% |
| Beer/Wine | 11 | 3.2% | 0.0 - 5.3% |
| Service Deli | 11 | 5.0% | 3.5 - 5.5% |
| Scratch/ Bake-Off Bakery | 11 | 2.4% | 1.8 - 3.1% |
| Frozen Food | 11 | 5.9% | 5.9 - 7.6% |
| Dairy | 11 | 7.3% | 6.3 - 9.9% |
| Other | 11 | 4.9% | 2.0 - 7.0% |
| Total | 11 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 11 | 74.8% | 72.7 - 78.1% |
| Meat | 11 | 17.3% | 15.0 - 19.2% |
| Produce | 11 | 7.9% | 7.1 - 8.4% |
| Total Sales | 11 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 11 | 22.3% | 20.7 - 24.8% |
| Meat | 11 | 27.3% | 24.1 - 28.7% |
| Produce | 11 | 32.0% | 29.5 - 35.2% |
| Total Gross Margin | 11 | 23.9% | 21.8 - 26.4% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 11 | 8.8% | 7.9 - 9.3% |
| Benefits | 11 | 2.6% | 1.9 - 3.3% |
| Total Store Labor Expense | 11 | 11.5% | 9.9 - 12.5% |
| Advertising & Promotion | 11 | 1.1% | 0.4 - 1.6% |
| Occupancy (Excluding Utilities) | 11 | 2.3% | 1.9 - 2.6% |
| Utilities | 11 | 0.8% | 0.7 - 0.8% |
| Maintenance | 11 | 0.6% | 0.5 - 0.8% |
| Store Supplies | 11 | 1.2% | 1.1 - 1.3% |
| Interest | 11 | 0.3% | 0.0 - 0.4% |
| Other | 11 | 2.6% | 1.8 - 4.0% |
| Total Operating Expenses | 11 | 20.3% | 18.4 - 22.1% |
| Profit Before Tax | 11 | 3.6% | 2.2 - 5.1% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - MOST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 9 | $97.61 | $79.45 - 111.55 |
| Gross Margin per Labor Hour | 9 | $21.10 | $17.88 - 24.86 |
| Profit Before Tax per Labor Hour | 9 | $2.44 | $2.14 - 3.05 |
| Sales per Labor Dollar | 11 | $11.37 | $10.82 - 12.68 |
| Gross Margin per Labor Dollar | 11 | $2.76 | $2.56 - 2.84 |
| Transactions per Labor Hour | 9 | 4.1 | 3.5 - 5.3 |
| Payroll per Labor Hour | 9 | $7.33 | $6.87 - 9.44 |
| Benefits per Labor Hour | 9 | $2.35 | $1.14 - 2.82 |
| Payroll to Total Expenses | 11 | 43.4% | 40.8 - 44.6% |
| Benefits to Total Expenses | 11 | 13.0% | 10.0 - 14.8% |
| Payroll per Hour of Operation | 11 | $212.64 | $140.99 - 505.41 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 11 | 44,000 | 39,150 - 49,445 |
| Weekly Sales per Square Foot | 11 | $10.51 | $6.56 - 12.28 |
| Weekly Gross Margin per Square Foot | 11 | $2.95 | $1.31 - 3.06 |
| Weekly Profit Before Tax per Sq Ft | 11 | $0.28 | $0.18 - 0.49 |
| **Selling Area:** | | | |
| Average Square Footage | 11 | 32,250 | 27,555 - 37,761 |
| Weekly Sales per Square Foot | 11 | $14.05 | $8.42 - 16.68 |
| Weekly Gross Margin per Square Foot | 11 | $4.01 | $1.77 - 4.09 |
| Weekly Profit Before Tax per Sq Ft | 11 | $0.38 | $0.24 - 0.68 |
| Average Weekly Sales per Store | 11 | $391,328 | $268,584 - 583,035 |
| Number of Checkouts | 11 | 13 | 10 - 18 |
| Weekly Sales per Checkout | 11 | $29,207 | $25,356 - 32,981 |
| Weekly Transactions per Checkout | 11 | 1,563 | 1,132 - 1,836 |
| Selling Square Footage per Checkout | 11 | 2,470 | 1,795 - 3,230 |
| Occupancy Cost (incl utilities) per Sq Ft | 11 | $13.77 | $12.78 - 18.39 |
| Occupancy Cost (incl util) to Total Expense | 11 | 14.2% | 12.7 - 18.8% |
| Weekly Transactions per Sq Ft of Selling Area | 11 | 0.54 | 0.48 - 0.72 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 11 | 4.92 | 3.41 - 5.66 |
| Percentage of Selling Area to Total Area | 11 | 75.0% | 72.0 - 77.6% |
| Inventory Dollars per Sq Ft of Selling Area | 11 | $26.04 | $23.33 - 29.41 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## SUPER STORES - - MOST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 11 | 18.4% | 16.8 - 21.0% |
| Meat | 11 | 21.0% | 19.9 - 21.8% |
| Produce | 11 | 32.0% | 29.5 - 35.2% |
| General Merchandise/HaBA | 11 | 25.4% | 22.5 - 30.5% |
| Beer/Wine | 7 | 21.0% | 14.5 - 26.5% |
| Service Deli | 11 | 42.0% | 42.2 - 47.0% |
| Scratch/Bake-Off Bakery | 11 | 49.1% | 37.0 - 64.2% |
| Frozen Food | 9 | 24.0% | 22.0 - 27.8% |
| Dairy | 9 | 20.1% | 18.4 - 23.2% |
| Other | 9 | 37.1% | 31.2 - 36.1% |
| Total Gross Margin | 11 | 23.9% | 21.8 - 26.4% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 11 | 22.7X | 19.7 - 26.1X |
| Meat | 11 | 58.6X | 44.9 - 69.1X |
| Produce | 11 | 77.8X | 66.6 - 105.4X |
| General Merchandise/HaBA | 11 | 6.7X | 5.5 - 8.7X |
| Beer/Wine | 7 | 7.8X | 7.3 - 11.5X |
| Service Deli | 11 | 28.7X | 22.7 - 37.8X |
| Scratch/Bake-Off Bakery | 11 | 23.3X | 17.9 - 41.5X |
| Frozen Food | 9 | 29.5X | 24.0 - 31.7X |
| Dairy | 9 | 46.0X | 39.3 - 51.9X |
| Other | 9 | 10.3X | 7.0 - 12.1X |
| Total Inventory Turnover | 11 | 19.4X | 16.1 - 25.4X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 11 | 575.9% | 362.0 - 650.9% |
| Meat | 11 | 1,755.7% | 1,142.7 - 1,944.1% |
| Produce | 11 | 4,403.3% | 2,548.5 - 4,606.7% |
| General Merchandise/HaBA | 11 | 273.8% | 186.2 - 332.2% |
| Beer/Wine | 7 | 230.3% | 174.8 - 273.0% |
| Service Deli | 11 | 2,181.7% | 1,235.2 - 2,935.6% |
| Scratch/Bake-Off Bakery | 11 | 2,527.4% | 2,207.6 - 3,460.2% |
| Frozen Food | 9 | 801.3% | 673.9 - 1,229.4% |
| Dairy | 9 | 1,220.3% | 870.5 - 1,419.2% |
| Other | 9 | 480.2% | 350.8 - 636.4% |
| Total GMROI | 11 | 700.4% | 435.7 - 790.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - MOST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 11 | 74.8% | 72.7 - 78.1% |
| Meat | 11 | 17.3% | 15.0 - 19.2% |
| Produce | 11 | 7.9% | 7.1 - 8.4% |
| Total Sales | 11 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 11 | 22.3% | 20.7 - 24.8% |
| Meat | 11 | 27.3% | 24.1 - 28.7% |
| Produce | 11 | 32.0% | 29.5 - 35.2% |
| Total Gross Margin | 11 | 23.9% | 21.8 - 26.4% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 11 | 15.3X | 13.5 - 21.5X |
| Meat | 11 | 45.9X | 36.3 - 56.8X |
| Produce | 11 | 77.8X | 66.6 - 105.4X |
| Total Inventory Turnover | 11 | 19.4X | 16.1 - 25.4X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 11 | 532.8% | 351.0 - 596.4% |
| Meat | 11 | 2,008.5% | 1,166.7 - 2,286.7% |
| Produce | 11 | 4,403.3% | 2,548.5 - 4,606.7% |
| Total GMROI | 11 | 700.4% | 435.7 - 790.9% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - LEAST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 8 | 7.9% | 4.7 - 16.4% |
| Average Transaction Size | 9 | $17.11 | $16.82 - 20.23 |
| Store Sales per Hour of Operation | 9 | $1,785 | $1,284 - 2,585 |
| **Distribution of Sales:** | | | |
| Grocery | 9 | 48.3% | 45.7 - 50.0% |
| Meat | 9 | 14.3% | 13.4 - 14.9% |
| Produce | 9 | 7.3% | 6.5 - 7.5% |
| General Merchandise/HaBA | 9 | 5.1% | 3.1 - 7.3% |
| Beer/Wine | 9 | 2.0% | 0.0 - 4.6% |
| Service Deli | 9 | 4.4% | 3.1 - 5.3% |
| Scratch/ Bake-Off Bakery | 9 | 2.2% | 1.2 - 3.6% |
| Frozen Food | 9 | 6.5% | 6.5 - 7.4% |
| Dairy | 9 | 8.1% | 8.5 - 9.4% |
| Other | 9 | 1.8% | 0.6 - 1.2% |
| Total | 9 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 9 | 74.0% | 71.3 - 77.0% |
| Meat | 9 | 18.7% | 16.6 - 21.7% |
| Produce | 9 | 7.3% | 6.5 - 7.5% |
| Total Sales | 9 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 9 | 19.3% | 14.4 - 23.4% |
| Meat | 9 | 22.5% | 17.5 - 25.5% |
| Produce | 9 | 29.2% | 24.6 - 31.9% |
| Total Gross Margin | 9 | 20.6% | 15.3 - 25.2% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 9 | 8.4% | 5.3 - 10.3% |
| Benefits | 9 | 1.5% | 1.0 - 1.6% |
| Total Store Labor Expense | 9 | 9.9% | 6.3 - 12.3% |
| Advertising & Promotion | 9 | 1.2% | 0.7 - 1.5% |
| Occupancy (Excluding Utilities) | 9 | 3.4% | 2.5 - 4.3% |
| Utilities | 9 | 1.1% | 0.8 - 1.3% |
| Maintenance | 9 | 0.6% | 0.5 - 0.8% |
| Store Supplies | 9 | 1.4% | 1.1 - 1.6% |
| Interest | 9 | 0.5% | 0.4 - 0.7% |
| Other | 9 | 2.8% | 0.8 - 3.8% |
| Total Operating Expenses | 9 | 20.9% | 15.0 - 24.0% |
| Profit Before Tax | 9 | -0.3% | -1.5 - 1.3% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - LEAST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 9 | $69.57 | $59.17 - 102.75 |
| Gross Margin per Labor Hour | 9 | $14.84 | $13.99 - 17.93 |
| Profit Before Tax per Labor Hour | 9 | -$0.22 | -$0.78 - 0.83 |
| Sales per Labor Dollar | 9 | $11.11 | $9.69 - 18.95 |
| Gross Margin per Labor Dollar | 9 | $2.39 | $2.33 - 2.86 |
| Transactions per Labor Hour | 9 | 4.1 | 3.5 - 5.0 |
| Payroll per Labor Hour | 9 | $6.11 | $5.80 - 6.37 |
| Benefits per Labor Hour | 9 | $1.12 | $0.89 - 1.29 |
| Payroll to Total Expenses | 9 | 38.6% | 37.7 - 42.5% |
| Benefits to Total Expenses | 9 | 6.6% | 5.4 - 7.9% |
| Payroll per Hour of Operation | 9 | $123.28 | $92.83 - 257.69 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 9 | 40,000 | 37,000 - 50,000 |
| Weekly Sales per Square Foot | 9 | $6.00 | $5.95 - 6.44 |
| Weekly Gross Margin per Square Foot | 9 | $1.25 | $0.93 - 1.44 |
| Weekly Profit Before Tax per Sq Ft | 9 | -$0.02 | -$0.07 - 0.08 |
| **Selling Area:** | | | |
| Average Square Footage | 9 | 33,000 | 29,000 - 37,500 |
| Weekly Sales per Square Foot | 9 | $7.59 | $6.86 - 8.00 |
| Weekly Gross Margin per Square Foot | 9 | $1.53 | $1.07 - 1.92 |
| Weekly Profit Before Tax per Sq Ft | 9 | -$0.04 | -$0.09 - 0.10 |
| Average Weekly Sales per Store | 9 | $299,828 | $215,776 - 334,126 |
| Number of Checkouts | 9 | 10 | 9 - 12 |
| Weekly Sales per Checkout | 9 | $24,986 | $23,975 - 30,375 |
| Weekly Transactions per Checkout | 9 | 1,454 | 1,366 - 1,582 |
| Selling Square Footage per Checkout | 9 | 3,222 | 3,111 - 4,000 |
| Occupancy Cost (incl utilities) per Sq Ft | 9 | $13.07 | $10.75 - 14.98 |
| Occupancy Cost (incl util) to Total Expense | 9 | 21.3% | 16.7 - 28.1% |
| Weekly Transactions per Sq Ft of Selling Area | 9 | 0.40 | 0.36 - 0.47 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 9 | 2.45 | 2.16 - 3.68 |
| Percentage of Selling Area to Total Area | 9 | 80.6% | 75.0 - 87.0% |
| Inventory Dollars per Sq Ft of Selling Area | 9 | $16.93 | $13.58 - 18.74 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - LEAST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 9 | 16.8% | 12.0 - 20.0% |
| Meat | 9 | 18.4% | 16.5 - 21.4% |
| Produce | 9 | 29.2% | 24.6 - 31.9% |
| General Merchandise/HaBA | 8 | 25.7% | 22.4 - 28.4% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 9 | 34.8% | 27.9 - 42.8% |
| Scratch/Bake-Off Bakery | 7 | 50.2% | 40.3 - 61.6% |
| Frozen Food | 8 | 23.2% | 17.7 - 27.4% |
| Dairy | 8 | 17.0% | 15.3 - 18.2% |
| Other | 7 | 24.0% | 19.0 - 31.0% |
| Total Gross Margin | 9 | 20.6% | 15.3 - 25.2% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 9 | 18.2X | 12.0 - 19.9X |
| Meat | 9 | 31.2X | 27.4 - 43.2X |
| Produce | 9 | 58.1X | 48.3 - 64.4X |
| General Merchandise/HaBA | 8 | 5.7X | 5.0 - 6.4X |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 9 | 26.1X | 18.3 - 43.2X |
| Scratch/Bake-Off Bakery | 7 | 40.4X | 20.3 - 51.9X |
| Frozen Food | 8 | 22.0X | 21.0 - 25.7X |
| Dairy | 8 | 45.3X | 42.4 - 53.6X |
| Other | 6 | 10.1X | |
| Total Inventory Turnover | 9 | 18.2X | 17.3 - 19.7X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 9 | 269.1% | 242.7 - 379.4% |
| Meat | 9 | 661.5% | 521.4 - 1,103.5% |
| Produce | 9 | 2,100.0% | 1,908.2 - 2,493.8% |
| General Merchandise/HaBA | 8 | 194.1% | 163.0 - 224.8% |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 9 | 933.3% | 659.0 - 3,039.7% |
| Scratch/Bake-Off Bakery | 7 | 2,946.8% | 1,971.5 - 4,668.6% |
| Frozen Food | 8 | 722.2% | 658.8 - 796.2% |
| Dairy | 8 | 858.9% | 770.8 - 1,272.9% |
| Other | 6 | 421.5% | |
| Total GMROI | 9 | 390.5% | 345.2 - 609.0% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPER STORES - - LEAST PROFITABLE STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 9 | 74.0% | 71.3 - 77.0% |
| Meat | 9 | 18.7% | 16.6 - 21.7% |
| Produce | 9 | 7.3% | 6.5 - 7.5% |
| Total Sales | 9 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 9 | 19.3% | 14.4 - 23.4% |
| Meat | 9 | 22.5% | 17.5 - 25.5% |
| Produce | 9 | 29.2% | 24.6 - 31.9% |
| Total Gross Margin | 9 | 20.6% | 15.3 - 25.2% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 9 | 16.1X | 13.1 - 17.4X |
| Meat | 9 | 29.6X | 27.4 - 43.2X |
| Produce | 9 | 58.1X | 48.3 - 64.4X |
| Total Inventory Turnover | 9 | 18.2X | 17.3 - 19.7X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 9 | 312.5% | 277.4 - 462.6% |
| Meat | 9 | 871.5% | 572.4 - 1,745.9% |
| Produce | 9 | 2,100.0% | 1,908.2 - 2,493.8% |
| Total GMROI | 9 | 390.5% | 345.2 - 609.0% |

# Superette Stores

# Overview of Performance--Superettes

In 1989, the typical superette store had weekly sales of nearly $30,000 and a net profit before tax of 0.2% of sales. Additional highlights of the superette stores' 1989 performance include:

- Sales per labor hour were over $51.00 with an average transaction of $8.55.
- Eighty percent of the total store area is used for selling space. The typical superette reported nearly 3,300 square feet of selling area and 4,625 square feet of total area.
- Typical inventory turnover reported was over 10 times and gross profit margin was 23.5%. GMROI was 333% for the typical store.
- Total labor expenses absorbed over 11% of sales while total operating expenses were reported at over 23%.

The following table highlights key ratio performance and six year comparisons for all superette store respondents participating in the FMI *Operating Results of Independent Supermarkets.*

**All Responding Superette Store Operators**
**1984--1989**

| | 1989 | 1988 | 1987 | 1986 | 1985 | 1984 |
|---|---|---|---|---|---|---|
| **SALES DATA** | | | | | | |
| Average Weekly Sales per Store | $29,730 | $25,288 | $27,065 | $30,054 | $27,212 | $28,846 |
| Sales per Labor Hour | $51.35 | $65.45 | $67.31 | $67.66 | $67.82 | $76.18 |
| Average Transaction Size | $8.55 | $10.20 | $6.63 | $6.85 | $7.26 | $7.01 |
| **SPACE DATA** | | | | | | |
| Total Store Area (square feet) | 4,625 | 5,000 | 7,350 | 6,000 | 6,000 | 7,500 |
| Selling Area (square feet) | 3,250 | 3,948 | 6,000 | 5,000 | 4,500 | 5,250 |
| Weekly Sales per Sq. ft. of Selling Area | $7.30 | $5.37 | $4.46 | $4.73 | $5.84 | $5.16 |
| **INVENTORY DATA** | | | | | | |
| Inventory Turnover (times) | 10.4x | 10.2x | 10.8x | 11.9x | 13.4x | 12.1x |
| Gross Profit Margin | 23.5% | 22.2% | 20.9% | 20.3% | 20.9% | 20.8% |
| GMROI | 333.1% | 307.3% | 317.9% | 306.8% | 357.5% | 339.2% |
| **PROFIT DATA** | | | | | | |
| Net Profit Margin Before Tax | 0.2% | 0.8% | 0.6% | 0.8% | 1.5% | 1.6% |
| **OPERATING EXPENSE DATA** (as a % of sales) | | | | | | |
| Total Operating Expense | 23.3% | 19.5% | 19.1% | 19.6% | 20.4% | 19.1% |
| Store Labor Expense: | | | | | | |
| Direct/Regular | 11.3% | 8.4% | 9.1% | 9.0% | 8.2% | 8.6% |
| Fringe Benefits | 1.4% | 0.7% | 0.7% | 1.2% | 1.0% | 1.3% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPERETTE STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 9 | 7.6% | 0.4 - 18.0% |
| Average Transaction Size | 8 | $8.55 | $6.01 - 10.62 |
| Store Sales per Hour of Operation | 9 | $309 | $277 - 371 |
| **Distribution of Sales:** | | | |
| Grocery | 7 | 57.4% | 45.2 - 70.2% |
| Meat | 7 | 17.5% | 12.0 - 23.2% |
| Produce | 7 | 7.7% | 5.4 - 8.4% |
| General Merchandise/HaBA | 7 | 2.1% | 0.0 - 1.1% |
| Beer/Wine | 7 | 0.2% | 0.0 - 0.0% |
| Service Deli | 7 | 2.1% | 0.0 - 2.4% |
| Scratch/ Bake-Off Bakery | 7 | 0.2% | 0.0 - 0.0% |
| Frozen Food | 7 | 2.8% | 0.0 - 4.6% |
| Dairy | 7 | 4.6% | 0.0 - 10.0% |
| Other | 7 | 5.5% | 0.0 - 11.7% |
| Total | 7 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 7 | 72.8% | 71.5 - 77.2% |
| Meat | 7 | 19.6% | 14.4 - 23.2% |
| Produce | 7 | 7.7% | 5.4 - 8.4% |
| Total Sales | 7 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 6 | 23.1% | |
| Meat | 5 | 24.4% | |
| Produce | 6 | 24.6% | |
| Total Gross Margin | 7 | 23.5% | 20.8 - 26.6% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 7 | 11.3% | 8.5 - 13.8% |
| Benefits | 7 | 1.4% | 0.2 - 1.7% |
| Total Store Labor Expense | 7 | 12.7% | 9.0 - 15.4% |
| Advertising & Promotion | 7 | 1.3% | 0.7 - 1.7% |
| Occupancy (Excluding Utilities) | 7 | 1.8% | 1.1 - 1.6% |
| Utilities | 7 | 1.6% | 1.3 - 1.8% |
| Maintenance | 7 | 0.7% | 0.5 - 0.7% |
| Store Supplies | 7 | 1.2% | 1.0 - 1.4% |
| Interest | 7 | 0.5% | 0.1 - 0.4% |
| Other | 7 | 3.7% | 1.6 - 5.6% |
| Total Operating Expenses | 7 | 23.3% | 18.0 - 29.1% |
| Profit Before Tax | 7 | 0.2% | -1.0 - 2.2% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPERETTE STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 9 | $51.35 | $48.66 - 80.03 |
| Gross Margin per Labor Hour | 7 | $14.46 | $12.74 - 16.36 |
| Profit Before Tax per Labor Hour | 8 | $1.10 | -$0.17 - 2.34 |
| Sales per Labor Dollar | 9 | $8.06 | $6.61 - 10.70 |
| Gross Margin per Labor Dollar | 7 | $2.11 | $1.96 - 2.25 |
| Transactions per Labor Hour | 8 | 7.9 | 6.0 - 14.9 |
| Payroll per Labor Hour | 9 | $7.48 | $6.86 - 8.21 |
| Benefits per Labor Hour | 7 | $1.09 | $0.51 - 1.38 |
| Payroll to Total Expenses | 9 | 49.1% | 44.5 - 52.8% |
| Benefits to Total Expenses | 7 | 7.0% | 3.4 - 11.4% |
| Payroll per Hour of Operation | 9 | $34.34 | $32.65 - 53.94 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 10 | 4,625 | 3,713 - 6,875 |
| Weekly Sales per Square Foot | 10 | $4.96 | $4.03 - 8.82 |
| Weekly Gross Margin per Square Foot | 7 | $0.82 | $0.75 - 1.54 |
| Weekly Profit Before Tax per Sq Ft | 8 | $0.05 | -$0.03 - 0.13 |
| **Selling Area:** | | | |
| Average Square Footage | 10 | 3,250 | 2,800 - 5,875 |
| Weekly Sales per Square Foot | 10 | $7.30 | $4.65 - 11.45 |
| Weekly Gross Margin per Square Foot | 7 | $0.95 | $0.92 - 2.30 |
| Weekly Profit Before Tax per Sq Ft | 8 | $0.06 | -$0.04 - 0.16 |
| Average Weekly Sales per Store | 10 | $29,730 | $25,141 - 33,844 |
| Number of Checkouts | 9 | 3 | 2 - 3 |
| Weekly Sales per Checkout | 9 | $10,578 | $8,802 - 12,242 |
| Weekly Transactions per Checkout | 8 | 1,005 | 968 - 2,381 |
| Selling Square Footage per Checkout | 9 | 1,500 | 933 - 1,750 |
| Occupancy Cost (incl utilities) per Sq Ft | 9 | $9.10 | $6.95 - 14.39 |
| Occupancy Cost (incl util) to Total Expense | 9 | 14.4% | 12.5 - 19.2% |
| Weekly Transactions per Sq Ft of Selling Area | 8 | 0.67 | 0.57 - 1.79 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 8 | 9.84 | 6.09 - 17.81 |
| Percentage of Selling Area to Total Area | 10 | 80.0% | 74.9 - 84.9% |
| Inventory Dollars per Sq Ft of Selling Area | 6 | $20.96 | |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPERETTE STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 6 | 22.5% | |
| Meat | 5 | 21.4% | |
| Produce | 6 | 24.6% | |
| General Merchandise/HaBA | 0 | INSUFFICIENT DATA | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 0 | INSUFFICIENT DATA | |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 0 | INSUFFICIENT DATA | |
| Total Gross Margin | 7 | 23.5% | 20.8 - 26.6% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 6 | 8.8X | |
| Meat | 5 | 39.6X | |
| Produce | 6 | 43.5X | |
| General Merchandise/HaBA | 0 | INSUFFICIENT DATA | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 0 | INSUFFICIENT DATA | |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 0 | INSUFFICIENT DATA | |
| Total Inventory Turnover | 5 | 10.4X | |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 6 | 214.2% | |
| Meat | 5 | 1,333.0% | |
| Produce | 6 | 1,294.5% | |
| General Merchandise/HaBA | 0 | INSUFFICIENT DATA | |
| Beer/Wine | 0 | INSUFFICIENT DATA | |
| Service Deli | 0 | INSUFFICIENT DATA | |
| Scratch/Bake-Off Bakery | 0 | INSUFFICIENT DATA | |
| Frozen Food | 0 | INSUFFICIENT DATA | |
| Dairy | 0 | INSUFFICIENT DATA | |
| Other | 0 | INSUFFICIENT DATA | |
| Total GMROI | 5 | 333.1% | |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

SUPERETTE STORES - - ALL STORES

## SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Distribution of Sales:** | | | |
| Grocery | 7 | 72.8% | 71.5 - 77.2% |
| Meat | 7 | 19.6% | 14.4 - 23.2% |
| Produce | 7 | 7.7% | 5.4 - 8.4% |
| Total Sales | 7 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 6 | 23.1% | |
| Meat | 5 | 24.4% | |
| Produce | 6 | 24.6% | |
| Total Gross Margin | 7 | 23.5% | 20.8 - 26.6% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 6 | 8.7X | |
| Meat | 5 | 24.7X | |
| Produce | 6 | 43.5X | |
| Total Inventory Turnover | 6 | 10.4X | |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 6 | 236.7% | |
| Meat | 5 | 1,064.4% | |
| Produce | 6 | 1,294.5% | |
| Total GMROI | 6 | 333.1% | |

# Warehouse Stores

# Overview of Performance--Warehouse Stores

Warehouse stores had the lowest total operating expense as a percent of sales reported by any of the store formats in this study, just over 16% of total sales. However, warehouse stores also had the lowest gross margins of any of the store formats at 17.6%. Labor expense absorbed only 7.5% of sales. In addition to good expense control, additional performance highlights include:

- Inventory turnover was reported at 22.4 times with an overall gross profit margin of 17.6% which resulted in a GMROI of 461%.
- Net profit before tax was 1.5%.
- The average transaction size was $21.37 while typical sales per labor hour were reported at $108.
- Nearly 74% of the total store is used as selling area, while the typical store reported a total store area of over 38,000 square feet.

The following table highlights key ratios and the six year comparatives for all warehouse store operators who responded to the FMI *Operating Results of Independent Supermarkets.*

**All Responding Warehouse Store Operators**
**1984--1989**

| | 1989 | 1988 | 1987 | 1986 | 1985 | 1984 |
|---|---|---|---|---|---|---|
| **SALES DATA** | | | | | | |
| Average Weekly Sales per Store | $283,222 | $135,064 | $194,719 | $295,346 | $248,835 | $141,668 |
| Sales per Labor Hour | $108.29 | $103.30 | $113.03 | $116.06 | $102.71 | $147.32 |
| Average Transaction Size | $21.37 | $17.01 | $17.74 | $21.64 | $18.88 | $20.18 |
| **SPACE DATA** | | | | | | |
| Total Store Area (square feet) | 38,250 | 38,800 | 31,000 | 37,192 | 31,500 | 26,000 |
| Selling Area (square feet) | 27,700 | 30,789 | 25,000 | 28,000 | 24,500 | 20,000 |
| Weekly Sales per Sq. ft. of Selling Area | $9.45 | $4.96 | $7.21 | $10.38 | $10.07 | $6.47 |
| **INVENTORY DATA** | | | | | | |
| Inventory Turnover (times) | 22.4x | 14.3x | 24.9x | 24.3x | 25.4x | 21.5x |
| Gross Profit Margin | 17.6% | 14.9% | 16.5% | 15.9% | 17.3% | 16.8% |
| GMROI | 461.0% | 252.8% | 471.8% | 488.3% | 532.7% | 404.3% |
| **PROFIT DATA** | | | | | | |
| Net Profit Margin Before Tax | 1.5% | 1.2% | 1.1% | 1.3% | 1.3% | 2.1% |
| **OPERATING EXPENSE DATA** (as a % of sales) | | | | | | |
| Total Operating Expense | 16.1% | 14.7% | 15.4% | 14.9% | 14.6% | 15.4% |
| Store Labor Expense: | | | | | | |
| Direct/Regular | 6.3% | 5.9% | 6.2% | 5.8% | 6.5% | 5.4% |
| Fringe Benefits | 1.3% | 0.9% | 1.1% | 1.2% | 1.2% | 1.3% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

WAREHOUSE STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES DATA** | | | |
| Percent Change from Previous Year | 11 | 12.3% | 4.2 - 17.0% |
| Average Transaction Size | 10 | $21.37 | $17.11 - 27.59 |
| Store Sales per Hour of Operation | 12 | $1,949 | $1,534 - 2,192 |
| **Distribution of Sales:** | | | |
| Grocery | 12 | 54.5% | 49.0 - 56.2% |
| Meat | 12 | 16.4% | 13.5 - 17.3% |
| Produce | 12 | 8.0% | 6.8 - 8.6% |
| General Merchandise/HaBA | 12 | 4.2% | 2.7 - 5.5% |
| Beer/Wine | 12 | 1.4% | 0.0 - 2.3% |
| Service Deli | 12 | 1.3% | 0.0 - 2.5% |
| Scratch/ Bake-Off Bakery | 12 | 0.9% | 0.0 - 1.4% |
| Frozen Food | 12 | 5.2% | 4.8 - 6.7% |
| Dairy | 12 | 7.5% | 7.4 - 10.0% |
| Other | 12 | 0.6% | 0.0 - 0.5% |
| Total | 12 | 100.0% | 100.0 - 100.0% |
| **INCOME STATEMENT DATA** | | | |
| **Sales:** | | | |
| Grocery | 12 | 74.3% | 74.0 - 76.1% |
| Meat | 12 | 17.7% | 16.2 - 18.4% |
| Produce | 12 | 8.0% | 6.8 - 8.6% |
| Total Sales | 12 | 100.0% | 100.0 - 100.0% |
| **Gross Margins:** | | | |
| Grocery | 12 | 15.3% | 14.7 - 15.9% |
| Meat | 12 | 21.7% | 19.2 - 23.2% |
| Produce | 12 | 27.8% | 25.4 - 28.7% |
| Total Gross Margin | 9 | 17.6% | 16.8 - 18.6% |
| **Operating Expenses:** | | | |
| Store Labor: | | | |
| Regular | 9 | 6.3% | 5.6 - 6.7% |
| Benefits | 9 | 1.3% | 0.7 - 1.8% |
| Total Store Labor Expense | 9 | 7.5% | 6.7 - 8.3% |
| Advertising & Promotion | 9 | 0.9% | 0.8 - 1.2% |
| Occupancy (Excluding Utilities) | 9 | 1.8% | 1.3 - 2.3% |
| Utilities | 9 | 0.8% | 0.7 - 1.2% |
| Maintenance | 9 | 0.5% | 0.4 - 0.6% |
| Store Supplies | 9 | 0.9% | 0.9 - 1.0% |
| Interest | 9 | 0.6% | 0.5 - 0.8% |
| Other | 9 | 2.9% | 2.1 - 4.0% |
| Total Operating Expenses | 9 | 16.1% | 14.9 - 16.7% |
| Profit Before Tax | 9 | 1.5% | 0.7 - 2.5% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

WAREHOUSE STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **PRODUCTIVITY DATA** | | | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | 12 | $108.29 | $103.81 - 133.61 |
| Gross Margin per Labor Hour | 12 | $20.50 | $17.38 - 23.83 |
| Profit Before Tax per Labor Hour | 9 | $1.89 | $0.78 - 3.64 |
| Sales per Labor Dollar | 11 | $15.47 | $15.10 - 18.31 |
| Gross Margin per Labor Dollar | 11 | $2.92 | $2.65 - 3.12 |
| Transactions per Labor Hour | 10 | 5.3 | 4.9 - 6.0 |
| Payroll per Labor Hour | 11 | $6.98 | $5.72 - 8.07 |
| Benefits per Labor Hour | 9 | $1.77 | $0.73 - 2.13 |
| Payroll to Total Expenses | 9 | 38.9% | 37.2 - 41.6% |
| Benefits to Total Expenses | 9 | 7.2% | 4.4 - 12.9% |
| Payroll per Hour of Operation | 11 | $109.18 | $76.46 - 156.26 |
| **Space Productivity** | | | |
| **Total Store Area:** | | | |
| Average Square Footage | 12 | 38,250 | 31,750 - 51,500 |
| Weekly Sales per Square Foot | 12 | $7.31 | $5.61 - 8.15 |
| Weekly Gross Margin per Square Foot | 12 | $1.28 | $0.99 - 1.42 |
| Weekly Profit Before Tax per Sq Ft | 9 | $0.08 | $0.04 - 0.26 |
| **Selling Area:** | | | |
| Average Square Footage | 12 | 27,700 | 21,500 - 38,375 |
| Weekly Sales per Square Foot | 12 | $9.45 | $7.07 - 11.20 |
| Weekly Gross Margin per Square Foot | 12 | $1.65 | $1.22 - 1.91 |
| Weekly Profit Before Tax per Sq Ft | 9 | $0.10 | $0.05 - 0.35 |
| Average Weekly Sales per Store | 12 | $283,222 | $148,306 - 367,623 |
| Number of Checkouts | 10 | 9 | 7 - 11 |
| Weekly Sales per Checkout | 10 | $31,253 | $18,983 - 36,746 |
| Weekly Transactions per Checkout | 10 | 1,175 | 1,108 - 1,680 |
| Selling Square Footage per Checkout | 10 | 3,165 | 2,610 - 3,458 |
| Occupancy Cost (incl utilities) per Sq Ft | 9 | $8.13 | $6.65 - 9.18 |
| Occupancy Cost (incl util) to Total Expense | 9 | 16.2% | 11.2 - 18.2% |
| Weekly Transactions per Sq Ft of Selling Area | 10 | 0.51 | 0.27 - 0.54 |
| Transactions per 1000 Sq Ft Selling Area per Hour | 10 | 3.13 | 2.18 - 4.28 |
| Percentage of Selling Area to Total Area | 12 | 73.7% | 69.6 - 79.1% |
| Inventory Dollars per Sq Ft of Selling Area | 12 | $19.57 | $18.37 - 20.85 |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

## WAREHOUSE STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **Inventory Productivity** | | | |
| **Gross Margin:** | | | |
| Grocery | 12 | 12.6% | 12.1 - 13.0% |
| Meat | 12 | 20.6% | 19.2 - 22.0% |
| Produce | 12 | 27.8% | 25.4 - 28.7% |
| General Merchandise/HaBA | 12 | 37.5% | 18.7 - 26.6% |
| Beer/Wine | 8 | 13.2% | 10.4 - 15.1% |
| Service Deli | 6 | 35.6% | |
| Scratch/Bake-Off Bakery | 7 | 45.6% | 42.2 - 59.2% |
| Frozen Food | 10 | 22.4% | 20.1 - 24.9% |
| Dairy | 10 | 18.5% | 15.6 - 21.5% |
| Other | 5 | 28.5% | |
| Total Gross Margin | 9 | 17.6% | 16.8 - 18.6% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 12 | 20.4X | 12.3 - 23.7X |
| Meat | 12 | 39.5X | 36.0 - 44.7X |
| Produce | 12 | 69.9X | 43.6 - 88.7X |
| General Merchandise/HaBA | 12 | 7.1X | 3.2 - 8.3X |
| Beer/Wine | 8 | 15.7X | 13.8 - 17.0X |
| Service Deli | 6 | 27.0X | |
| Scratch/Bake-Off Bakery | 7 | 27.1X | 25.7 - 42.2X |
| Frozen Food | 10 | 19.4X | 13.9 - 26.7X |
| Dairy | 10 | 39.9X | 36.7 - 46.6X |
| Other | 5 | 10.3X | |
| Total Inventory Turnover | 12 | 22.4X | 15.3 - 25.2X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 12 | 294.9% | 182.7 - 347.4% |
| Meat | 12 | 1,099.1% | 914.5 - 1,294.1% |
| Produce | 12 | 2,334.8% | 1,555.7 - 3,638.2% |
| General Merchandise/HaBA | 12 | 203.4% | 98.7 - 258.7% |
| Beer/Wine | 8 | 178.9% | 151.0 - 296.6% |
| Service Deli | 6 | 1,602.6% | |
| Scratch/Bake-Off Bakery | 7 | 2,425.5% | 1,510.3 - 3,908.9% |
| Frozen Food | 10 | 634.8% | 370.5 - 862.8% |
| Dairy | 10 | 931.5% | 774.5 - 1,137.2% |
| Other | 5 | 373.9% | |
| Total GMROI | 12 | 461.0% | 339.0 - 544.6% |

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

WAREHOUSE STORES - - ALL STORES

| | # STORES | TYPICAL | MIDDLE RANGE |
|---|---|---|---|
| **SALES, MARGINS & TURNOVER BY MAJOR DEPARTMENT** | | | |
| **Distribution of Sales:** | | | |
| Grocery | 12 | 74.3% | 74.0 - 76.1% |
| Meat | 12 | 17.7% | 16.2 - 18.4% |
| Produce | 12 | 8.0% | 6.8 - 8.6% |
| Total Sales | 12 | 100.0% | 100.0 - 100.0% |
| **Gross Margin Percent:** | | | |
| Grocery | 12 | 15.3% | 14.7 - 15.9% |
| Meat | 12 | 21.7% | 19.2 - 23.2% |
| Produce | 12 | 27.8% | 25.4 - 28.7% |
| Total Gross Margin | 9 | 17.6% | 16.8 - 18.6% |
| **Annual Inventory Turnover:** | | | |
| Grocery | 12 | 19.1X | 12.4 - 22.4X |
| Meat | 12 | 38.7X | 34.9 - 43.0X |
| Produce | 12 | 69.9X | 43.6 - 88.7X |
| Total Inventory Turnover | 12 | 22.4X | 15.3 - 25.2X |
| **Gross Margin Return on Inventory (GMROI):** | | | |
| Grocery | 12 | 361.5% | 219.1 - 395.5% |
| Meat | 12 | 1,116.6% | 914.5 - 1,388.3% |
| Produce | 12 | 2,334.8% | 1,555.7 - 3,638.2% |
| Total GMROI | 12 | 461.0% | 339.0 - 544.6% |

# Appendix

# Survey Methodology/Demographics

In early 1990, FMI distributed a confidential survey to all Food Marketing Institute's independent retail and wholesale members. The primary intent of this survey was to collect detailed financial operating information from its independent grocer operators by type of establishment, sales volume, geographic region, size of store and other factors.

Completed surveys were returned in strictest confidence to Leas, Noon and Associates, a survey research firm in Columbus, Ohio. All store identification, if any, was removed from each questionnaire and a confidential identification code was assigned. The data was then coded, keyed and edited by Leas, Noon and Associates financial analysts for validity. Computer processing was then performed on all data to insure statistical validity and produce the financial and operating ratios contained in this study.

The Food Marketing Institute *Operating Results of Independent Supermarkets, 1989* report is based on the responses of 237 independent food stores representing 153 companies which reported data for 1989 results. In particular the statistical sample consists of the following:

| | Number of Stores Reporting | Percent of Total |
|---|---|---|
| **ALL RESPONDENTS** | 237 | 100.0% |
| **By Store Type** | | |
| Conventional Supermarket | 183 | 77.2 |
| Super Stores | 22 | 9.3 |
| Superettes | 10 | 4.2 |
| Warehouse Stores | 12 | 5.1 |
| Other | 10 | 4.2 |

| | Number of Stores Reporting | Percent of Total |
|---|---|---|
| **SUPER STORES** | 22 | 100.0% |
| **By Weekly Sales Volume** | | |
| $325,000 and Under | 12 | 54.5% |
| Over $325,000 | 10 | 45.5 |

| | Number of Stores Reporting | Percent of Total |
|---|---|---|
| **CONVENTIONAL SUPERMARKETS** | 183 | 100.0% |
| **By Weekly Sales Volume** | | |
| Less than $70,000 | 34 | 18.6 |
| $70,000 to $125,000 | 56 | 30.6 |
| Over $125,000 | 92 | 50.3 |
| Information Not Provided | 1 | 0.5 |
| **By Selling Area Square Footage** | | |
| Less than 10,000 sq. ft. | 40 | 21.9 |
| 10,000-12,499 sq. ft. | 33 | 18.0 |
| 12,500-17,000 sq. ft | 48 | 26.2 |
| Over 17,000 sq. ft | 62 | 33.9 |
| **By Geographic Region** | | |
| Northeast | 20 | 10.9 |
| Middle Atlantic | 18 | 9.8 |
| North Central | 71 | 38.8 |
| Mid South | 11 | 6.0 |
| Southeast | 26 | 14.2 |
| West South Central | 14 | 7.7 |
| Mountain | 11 | 6.0 |
| Pacific | 10 | 5.5 |
| Information Not Provided | 2 | 1.1 |

| | Number of Stores Reporting | Percent of Total |
|---|---|---|
| **SUPERETTES** | 10 | 100.0% |

| | Number of Stores Reporting | Percent of Total |
|---|---|---|
| **WAREHOUSE STORES** | 12 | 100.0% |

# Departmental Data

Departmental data are presented in two ways--by detailed product categories and by the three major categories of grocery, meat, and produce. Users of the data should refer to whichever they consider to be more appropriate for their needs.

The detailed categories were "collapsed" into major categories as follows:

| The Category: | Was Collapsed into: |
|---|---|
| Grocery | Grocery |
| Meat | Meat |
| Produce | Produce |
| General Merchandise/HBA | Grocery |
| Beer/Wine | Grocery |
| Service/Deli | Meat |
| Scratch/Bake-Off Bakery | Grocery |
| Frozen Food | Grocery |
| Dairy | Grocery |
| Other | Grocery |

Due to the fact that some of the respondents were unable to break out sales by the detailed product categories, the percentage of the sales attributed to some categories may be artificially low.

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS 1989

## CONFIDENTIAL REPORTING FORM

PLEASE MAIL COMPLETED FORM TO:

Leas, Noon & Associates
P.O. Box 20127
Columbus, OH 43220-0127

# OPERATING RESULTS OF INDEPENDENT SUPERMARKETS, 1989

Please complete as much of this survey as possible according to the attached instruction sheet and return. You need not complete the entire survey form; however, items 2 through 6 must be completed by all participants.

| LINE # | CODE # | STORE 1 | CODE # | STORE 2 |
|---|---|---|---|---|
| 1. STORE NAME (10 Characters or less) | 1 | | 1 | |
| 2. STORE TYPE | 2 | 1. /_/Conventional Supermarket<br>2. /_/Super Store<br>3. /_/Superette<br>4. /_/Warehouse Store<br>5. /_/Combination Store<br>6. /_/Box Store<br>7. /_/Convenience Store<br>8. /_/Other _____ | 2 | 1. /_/Conventional Supermarket<br>2. /_/Super Store<br>3. /_/Superette<br>4. /_/Warehouse Store<br>5. /_/Combination Store<br>6. /_/Box Store<br>7. /_/Convenience Store<br>8. /_/Other _____ |
| 3. State or Province Where Located | 3 | | 3 | |
| 4. Total Store Area (square feet) | 4 | | 4 | |
| 5. Selling Area (square feet) | 5 | | 5 | |
| 6. Annual Net Sales (1989) Report sales net of returns and allowances. Exclude sales taxes, excise taxes and wholesale sales. | 6 | $ | 6 | $ |
| 7. Annual Net Sales (1988) | 7 | $ | 7 | $ |
| 8. Average Number of Weekly Labor Hours for 1989 (store level only) | 8 | # | 8 | # |
| 9. Average Number of Weekly Customer Transactions for 1989. | 9 | # | 9 | # |
| 10. Average Customer Transaction in 1989 | 10 | $ | 10 | $ |
| 11. Number of Checkouts | 11 | # | 11 | # |
| 12. Average Number of Hours of Operation Per Week in 1989 | 12 | # | 12 | # |

(Continued on next page)

PLEASE BE SURE TO FILL OUT THIS STUB COMPLETELY. IT WILL BE DETACHED BY THE SURVEY FIRM

PLEASE PRINT OR TYPE

Person to Contact _____ Company Name _____ Do Not Write in This Box

Address _____ _____

City, State, Zip _____ Telephone _____ _____

| | CODE | STORE 1 | CODE | STORE 2 |
|---|---|---|---|---|

ANNUAL SALES BY DEPARTMENT: (in Dollars) Please answer only for the departments your company operates.

| | | | | |
|---|---|---|---|---|
| 13. Grocery | 13 | $ | 13 | $ |
| 14. Meat | 14 | $ | 14 | $ |
| 15. Produce | 15 | $ | 15 | $ |
| 16. General Merchandise/HaBA | 16 | $ | 16 | $ |
| 17. Beer/Wine | 17 | $ | 17 | $ |
| 18. Service Deli | 18 | $ | 18 | $ |
| 19. Scratch/Bake-Off Bakery | 19 | $ | 19 | $ |
| 20. Frozen Food | 20 | $ | 20 | $ |
| 21. Dairy | 21 | $ | 21 | $ |
| 22. Other, not included above | 22 | $ | 22 | $ |
| 23. TOTAL (Sum of Lines 13 through 22; Same as Line 6) | 23 | $ | 23 | $ |

GROSS MARGIN: (in Dollars) Please answer only for the department categories you operate.

| | | Dollars | | Dollars |
|---|---|---|---|---|
| 24. Grocery | 24 | $ | 24 | $ |
| 25. Meat | 25 | $ | 25 | $ |
| 26. Produce | 26 | $ | 26 | $ |
| 27. General Merchandise/HaBA | 27 | $ | 27 | $ |
| 28. Beer/Wine | 28 | $ | 28 | $ |
| 29. Service Deli | 29 | $ | 29 | $ |
| 30. Scratch/Bake-Off Bakery | 30 | $ | 30 | $ |
| 31. Frozen Food | 31 | $ | 31 | $ |
| 32. Dairy | 32 | $ | 32 | $ |
| 33. Other, not included in above | 33 | $ | 33 | $ |
| 34. TOTAL (Sum of Lines 24 through 33) | 34 | $ | 34 | $ |

(Continued on reverse side)

AVERAGE INVENTORY (in Dollars, at Cost)

| | Code | Store 1 | Code | Store 2 |
|---|---|---|---|---|
| 35. Grocery | 35 | $ | 35 | $ |
| 36. Meat | 36 | $ | 36 | $ |
| 37. Produce | 37 | $ | 37 | $ |
| 38. General Merchandise/HaBA | 38 | $ | 38 | $ |
| 39. Beer/Wine | 39 | $ | 39 | $ |
| 40. Service Deli | 40 | $ | 40 | $ |
| 41. Scratch/Bake-Off Bakery | 41 | $ | 41 | $ |
| 42. Frozen Food | 42 | $ | 42 | $ |
| 43. Dairy | 43 | $ | 43 | $ |
| 44. Other, not included in above | 44 | $ | 44 | $ |
| 45. TOTAL (Sum of Lines 35 through 44) | 45 | $ | 45 | $ |

EXPENSES (in Dollars)

| | | | | |
|---|---|---|---|---|
| 46. Regular Store Labor | 46 | $ | 46 | $ |
| 47. Store Level Benefits | 47 | $ | 47 | $ |
| 48. Advertising & Promotion | 48 | $ | 48 | $ |
| 49. Occupancy (Excluding Utilities) | 49 | $ | 49 | $ |
| 50. Utilities | 50 | $ | 50 | $ |
| 51. Maintenance | 51 | $ | 51 | $ |
| 52. Store Supplies | 52 | $ | 52 | $ |
| 53. Interest | 53 | $ | 53 | $ |
| 54. Other, not included in above | 54 | $ | 54 | $ |
| 55. TOTAL (Sum of Lines 46 through 54) | 55 | $ | 55 | $ |
| 56. Profit Before Tax (Line 34 minus 55) | 56 | $ | 56 | $ |

# INDEPENDENT OPERATORS INSTRUCTION SHEET

Please use the following instructions when completing the enclosed Independent Operators Survey. All information will be held in complete confidence. It will not be revealed to Food Marketing Institute or anyone else.

GENERAL

A. Please give data for your most typical store(s). Do not select your best or your worst store.

B. If information does not exist for one individual store, please divide the total expense, amount, etc., by the number of stores or the usage of that item by the store. Please give an estimate if the actual figures are unknown.

C. Please report all data for the calendar year 1989. If this is not practical, use the fiscal year which ended closest to December 31, 1989. Full-year data are required.

D. Please report monetary figures to the nearest dollar (eliminate "cents").

E. Columns labeled "Code #" are for our use only. Please ignore them.

F. There is room on the survey form to report data for two of your stores. Since each respondent will receive a free, computer generated, productivity report on each store, you may wish to copy the form and report on any other stores you operate.

G. You need not complete the entire survey form; however, items 2 through 6 are required to be completed by all participants.

ALL RESPONDENTS WILL RECEIVE A COMPLIMENTARY COPY OF THE FINAL RESULTS AS WELL AS AN INDIVIDUAL PRODUCTIVITY REPORT FOR EACH OF THEIR STORES.

SPECIFIC LINE ITEMS

LINE #

1. A ten character description which you choose to describe the store, e.g. "EASTGATE", "NO. 2", "CARSON AVE." This description will appear on your computer generated productivity report to identify the store.

2. Store Type

   a. Conventional Supermarket - Full-line, self-service store under 30,000 square feet with annual sales of $2 million or more.
   b. Super Store - Full-line, self-service supermarket of over 30,000 square feet of selling area with expanded selections of food and non-food items.
   c. Superette - Self-service food store with annual sales under $2 million.
   d. Warehouse Store - Self-service supermarket featuring low prices, utilitarian fixturing, a warehouse atmosphere and annual sales of at least $2 million.
   e. Combination Store - A supermarket with at least 25% of area in general merchandise.
   f. Box Store - A limited assortment warehouse-type store.

5. Selling area is that part of the store accessible to customers.

8. Include only hours for store level personnel. If officers/owners are active in store level management, include their hours also.

9. Only give the number of transactions if you operate with electronic cash registers and can then count actual customer purchase transactions.

12. Total number of hours the store was open for business in the average week during 1989.

13-23. Please report department annual sales in dollars.

24-34. Report gross margin in dollars. Do not include non-operating income. In determining the cost of goods sold, use the following formula:

Cost of Goods Sold = Beginning inventory + Purchases of merchandise + Freight-In - Purchase Rebates (based on volume of purchases) - Promotional Allowances (not requiring advertising expenditures or store displays) - Cash discounts + Wholesaler's Fee (if billed separately) - Ending Inventory.

Gross margin must be reported based on the FIFO inventory valuation method.

35-45. Average Inventory - All figures at cost and on a FIFO basis. Compute average inventory for each department by:

a. Adding the beginning inventory for each month plus the end of year inventory and divide this total by 13, or
b. If unable to use (a.), add the beginning inventory for each quarter plus the end of year inventory and divide by 5, or
c. If unable to use (a.) or (b.), just add the beginning and end of year inventory amounts and divide by two.

46. Regular Store Labor includes straight, overtime and regular recurring bonus payments to all store personnel including the manager. Include payments made in conjunction with sickness absence, excused time off, training and commissions. Do not include labor costs for employees not working at the store level or who service more than one store. If officers or owners are active in store management, their compensation should be included.

47. Benefits include the company's share of payroll taxes, federal and state unemployment payments, holiday pay, vacation pay, any payments made under group insurance plans, pension and profit sharing plans, retirement pay, severance pay, Christmas or annual bonus and Workers' Compensation.

## EXPENSE DEFINITIONS

Please be sure to give that portion of the expense which relates only to that individual store. Do not include non-operating expenses.

Line #

48. Advertising and Promotion - Includes space and time costs for all advertising media; cost of electros, cuts and mat services; promotion expenses (tape plans, premiums, giveaways, contests); and expenses related to trading stamps. Reduce expenses by advertising allowances if they are expended for advertising media or require store displays.

49. Occupancy - Includes rent (fixed and percentage) on premises, real estate taxes and insurance, building depreciation, and amortization of leasehold improvements.

50. Utilities - Includes all utilities (heat, light, power and water).

51. Maintenance - All maintenance and repairs including outside maintenance services. Include store level labor in Line 46.

52. Store Supplies - Includes checkout and wrapping supplies, prepackaging supplies, maintenance supplies (window cleaning, floor cleaning and rest room supplies), etc.

53. Interest - Includes all interest payments. Estimate the cost for each store by dividing the company's total interest by the number of stores.

54. Other - All store level expenses not included elsewhere, including bad checks, telephone, travel, laundry, licenses, bank charges, cash over and short, outside services, and others. Reduce these by miscellaneous revenues from such sources as vending machines, rides, pay telephone, etc.

## RATIO DEFINITIONS AND SAMPLE CALCULATIONS

| Performance Measure | Method of Computation ( ) Indicates Survey Line # | Suggested Uses | Computational Example For Sample Company |
|---|---|---|---|
| **Sales Data** | | | |
| Percentage Change From Previous Year | (6) Net Sales minus (7) Previous Year's Net Sales ÷ (7) Previous Year's Net Sales | An indication of company growth. Beware of distortion caused by inflation. | (4,450,107 - 4,097,835) ÷ 4,097,835 = 8.6% |
| Average Transaction Size | Weekly Net Sales [(6) ÷ 52 weeks] ÷ (9) Average Number of Weekly Customer Transactions | Indicates the typical size of a sales transaction and thus add-on purchase efficiency. | (4,450,107 ÷ 52) ÷ 7,985 = $10.72 |
| Store Sales Per Hour of Operation | Weekly Net Sales [(6) ÷ 52 weeks] ÷ (12) Average Number of Hours of Operation per Week | Indicates sales efficiency, or the store's effectiveness in generating sales volume during a specific time period. | (4,450,107 ÷ 52) ÷ 105 = $815. |
| Distribution of Sales by Product Category | (13-20) Annual Sales of Each Department Expressed as a Percentage of (6) Annual Net Sales | Shows the relative portion of total store sales for each product category. | |
| **Percentage Income Statement** | Each Income Statement Entry Expressed as a Percentage of Net Sales | Shows the relationship between income, costs and margin levels in producing profits. | |
| **Personnel Productivity** | | | |
| Sales per Labor Hour | Weekly Net Sales [(6) ÷ 52 weeks] ÷ (8) Average Number of Weekly Store Level Labor Hours | Measures the Store's effectiveness in utilizing labor resource to generate sales volume. | (4,450,107 ÷ 52) ÷ 1,095 = $78.15 |
| Gross Margin Per Labor Hour | Weekly Gross Margin Dollars [(34) ÷ 52 weeks] ÷ (8) Average Number of Weekly Store Level Labor Hours | Measures the store's effectiveness in utilizing labor resources to generate gross margin dollars. | (953,811 ÷ 52) ÷ 1,095 = $16.75 |
| Profit Before Tax Per Labor Hour | Weekly Profits Before Tax [(56) ÷ 52 weeks] ÷ (8) Average Number of Weekly Store Level Labor Hours | Measures the store's effectiveness in utilizing labor resources to generate profits. | (157,271 ÷ 52) ÷ 1,095 = $2.76 |
| Sales Per Labor Dollar | (6) Net Sales ÷ (46) Regular Store Labor Expense | Indicates the store's effectiveness in generating sales volume per dollar of labor expense incurred. | 4,450,107 ÷ 287,250 = $15.49 |
| Gross Margin Per Labor Dollar | (34) Gross Margin ÷ (46) Regular Store Labor Expense | Indicates the store's effectiveness in generating gross margin dollars relative to labor expense. | 953,811 ÷ 287,250 = $3.32 |
| Transactions Per Labor Dollar | (9) Average Number Weekly Customer Transactions ÷ (8) Average Number of Weekly Labor Hours | Another indicator of the store's volume-producing effectiveness relative to labor utilization. | 7,985 ÷ 1,095 = 7.3 |
| Payroll Per Labor Dollar | Weekly Regular Store Labor [(46) ÷ 52 weeks] ÷ (8) Average Number of Weekly Labor Hours | Shows the typical payroll cost incurred at the store level per hour worked. | (287,250 ÷ 52) ÷ 1,096 = $5.04 |

## RATIO DEFINITIONS AND SAMPLE CALCULATIONS

| Performance Measure | Method of Computation ( ) Indicates Survey Line # | Suggested Uses | Computational Example For Sample Company |
|---|---|---|---|
| Benefits Per Labor Hour | Weekly Store Level Benefits [(47) ÷ 52 weeks] ÷ (8) Average Number Weekly Labor Hours | A further measure of payroll costs expressed on a per hour worked basis. | (34,412 ÷ 52) ÷ 1,095 = $0.60 |
| Payroll to Total Expenses | (46) Regular Store Level Labor Expense as a % of (55) Total Store Level Expenses | Good overall indicator of payroll costs for control purposes. Not distorted by inflation; can be used to compare performance over time, versus industry and store to store. | 287,250 ÷ 796,540 = 36.1% |
| Benefits to Total Expenses | (47) Store Level Employee Benefits as a % of (55) Total Store Level Expenses | A further indicator of personnel related costs; can be used for expense control purposes by comparing expenditures over time relative to total expenses. | 34,412 ÷796,540 = 4.3% |
| Payroll Per Hour of Operation | Weekly Store Level Labor Expense [(46) ÷ 52 weeks] ÷ (12) Average Number of Hours of Operation per Week | Shows the typical payroll cost incurred at the store level relative to the average number of hours the store was open for business per week. | [287,250 ÷ 52] ÷ 105 = $52.61 |
| **Space Productivity** | | | |
| Average Square Footage | The Reported Store Size, Expressed in Total Store and Selling Area (the part of the store that is accessible to customers) | | |
| Weekly Sales Per Square Foot | Weekly Net Sales [(6) ÷ 52 weeks] ÷ (4) Total Area or (5) Selling Area | An overall measure of space productivity; useful for comparing a particular store's results versus the industry averages or versus other stores in a chain operation. However, caution should be used when assessing over time due to "automatic" increases caused by inflation. | [4,450,107 ÷ 52] ÷ 18,500 = $4.63<br>[4,450,107 ÷ 52] ÷ 16,000 = $5.35 |
| Weekly Gross Margin Per Square Foot | Weekly Gross Margin [(34) ÷ 52 weeks] ÷ (4) Total Area or (5) Selling Area | Similar usage as above measure. | [953,811 ÷ 52] ÷ 18,500 = $0.99 or<br>[953,811 ÷ 52] ÷ 16,000 = $1.15 |
| Weekly Profit Before Tax Per Square Foot | Weekly Profit Before Tax [(56) ÷ 52 weeks] ÷ (4) Total Store Square Footage or (5) Store Selling Area Square Footage | Similar usage as above measure. | (157,271 ÷ 52) ÷ 18,500 = $0.16 or<br>(157,271 ÷ 52) ÷ 16,000 = $0.19 |
| Average Weekly Sales Per Store | Net Sales on a Weekly Basis (6) ÷ 52 weeks | An overall measure of store level productivity. Usage similar to above. | 4,450,107 ÷ 52 = $85,579 |
| Number of Checkouts | The Reported Number of Store Checkouts | An indicator of store size and volume activity. used as a productivity indicator when combined with sales and transaction information. | |

## RATIO DEFINITIONS AND SAMPLE CALCULATIONS

| Performance Measure | Method of Computation ( ) Indicates Survey Line # | Suggested Uses | Computational Example For Sample Company |
|---|---|---|---|
| Weekly Sales Per Checkout | [(6) Weekly Net Sales ÷ 52 weeks] ÷ (11) Number of Checkouts | A measure of sales activity which can indicate whether or not checkouts are over or under utilized. Either extreme can be a problem. Over utilization (that is, a high sales per checkout) may point to a possible customer queuing problem. Under utilization (that is, a low sales per checkout) can reflect poor overall store productivity. | (4,450,107 ÷ 52) ÷ 5 = $17,116 |
| Weekly Transaction Per Checkout | (9) Average Number of Weekly Customer Transactions ÷ (11) Number of Checkouts | Similar usage as above measure. | 7,985 ÷ 5 = 1,597 |
| Selling Square Footage Per Checkout | (5) Selling Area ÷ (11) Number of Checkouts | An indicator of the balance between store space allocated to customer usage and the number of checkouts available to handle transaction needs. | 16,000 ÷ 5 = 3,200 |
| Occupancy Cost (including utilities) Per Square Foot | [(49) Occupancy Expenses + (50) Utility Expenses] ÷ (4) Total Store Area Square Footage | An overall indicator of space costs incurred for each square foot of total store area. Can be compared to industry averages and/or to other stores in a chain to determine whether or not a space oriented profit drain may exist. However, caution should be used when comparing this ratio over time due to inflationary distortions. | (37,947 + 71,420) ÷ 18,500 = $5.91 |
| Occupancy Cost (including utilities) to Total Expenses | [(49) Occupancy Expenses + (50) Utility Expenses] ÷ (55) Total Expenses | Shows the relative significance of space related costs relative to overall store operating expenses; is not distorted by inflation over time. | (37,947 + 71,420) ÷ 796,540 = 13.7% |
| Transactions Per Square Foot of Selling Area | (9) Average Number of Weekly Customer Transactions ÷ (5) Store Selling Area | Similar in usage as "weekly sales per square foot." However, is not distorted by inflation. | 7,985 ÷ 16,000 = .50 |
| Transactions Per 1,000 Square Feet Per Hour | [(9) Average Number of Weekly Customer Transactions ÷ (5) Total Selling Square Footage] ÷ (12) Average Number of Hours of Operation Per Week] x 1,000 | Similar to the above measure, but provides a more precise indicator of productivity on a per hour of operation basis. | [(7,985 ÷ 16,000) ÷ 16,000) ÷ 105] x 1,000 = 4.75 |
| Percentage of Selling Area to Total Area | (5) Selling Area Square Footage as a Percentage of (4) Total Store Area Square Footage | Indicates the relative proportion of total store area that is accessible to customers. | 16,000 ÷ 18,500 = 86.5% |
| Inventory Dollars Per Square Foot of Selling Area | (45) Total Inventory Dollars ÷ by (5) Selling Area Square Footage | An indication of the effectiveness with which the store utilizes selling space to display products. | 220,616 ÷ 16,000 = $13.79 |

## RATIO DEFINITIONS AND SAMPLE CALCULATIONS

| Performance Measure | Method of Computation ( ) Indicates Survey Line # | Suggested Uses | Computational Example For Sample Company |
|---|---|---|---|
| **Inventory Productivity** | | | |
| Gross Margin Percent | Gross Margin Dollars Expressed as a Percentage of Sales (expressed in terms of overall store as well as for individual product categories) | An indication of the store's effectiveness in pricing and selling products relative to the costs of acquiring those products. | |
| Annual Inventory Turnover | Annual Cost of Goods Sold ÷ Average Annual Inventory (expressed in terms of overall store as well as for individual product categories) | A basic measure of inventory productivity which indicates how fast stock is moving. Useful for comparing your firm versus the industry averages over time, as well as comparing the relative profit contribution from various product categories. | |
| Gross Margin Return on Inventory (GMROI) | Gross Margin Dollars Expressed as a Percent of Average Inventory (expressed in terms of overall store as well as for individual product categories) | An overall inventory productivity measure which essentially combines both gross margin percent and turnover into one indicator. Excellent for analyzing the profitability of various individual product categories. | |

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## Instructions

- Complete the section on the back of this form for each store for which you wish to order a diskette. You may photocopy the form to order additional diskettes.
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**DISK #1**

**PRICE: $125.00**

| | | | | |
|---|---|---|---|---|
| **Disk Size:** | ❑ | 5-1/4" | ❑ | 3-1/2" |
| **Monitor:** | ❑ | Color | ❑ | Monochrome |
| **Store Type:** | ❑ | Conventional | ❑ | Super Store |
| | ❑ | Superette | ❑ | Warehouse |

**DISK #2**

**PRICE: $100.00**

| | | | | |
|---|---|---|---|---|
| **Disk Size:** | ❑ | 5-1/4" | ❑ | 3-1/2" |
| **Monitor:** | ❑ | Color | ❑ | Monochrome |
| **Store Type:** | ❑ | Conventional | ❑ | Super Store |
| | ❑ | Superette | ❑ | Warehouse |

**DISK #3**

**PRICE: $100.00**

| | | | | |
|---|---|---|---|---|
| **Disk Size:** | ❑ | 5-1/4" | ❑ | 3-1/2" |
| **Monitor:** | ❑ | Color | ❑ | Monochrome |
| **Store Type:** | ❑ | Conventional | ❑ | Super Store |
| | ❑ | Superette | ❑ | Warehouse |

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